INHERITANCE AND DOMINION

Volume 3

INHERITANCE AND DOMINION

AN ECONOMIC COMMENTARY ON DEUTERONOMY

Volume 3

GARY NORTH

POINT FIVE PRESS
Dallas, Georgia

Inheritance and Dominion: An Economic Commentary on Deuteronomy, Volume 3

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Published by
Point Five Press
P.O. Box 2778
Dallas, Georgia 30132

Typesetting by Kyle Shepherd

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COLLATERAL, SERVITUDE, AND DIGNITY

> *No man shall take the nether or the upper millstone to pledge: for he taketh a man's life to pledge. . . . When thou dost lend thy brother any thing, thou shalt not go into his house to fetch his pledge. Thou shalt stand abroad, and the man to whom thou dost lend shall bring out the pledge abroad unto thee. And if the man be poor, thou shalt not sleep with his pledge: In any case thou shalt deliver him the pledge again when the sun goeth down, that he may sleep in his own raiment, and bless thee: and it shall be righteousness unto thee before the* LORD *thy God. . . . Thou shalt not pervert the judgment of the stranger, nor of the fatherless; nor take a widow's raiment to pledge: But thou shalt remember that thou wast a bondman in Egypt, and the* LORD *thy God redeemed thee thence: therefore I command thee to do this thing.*
>
> DEUTERONOMY 24:6, 10–13, 17–18

The theocentric focus of this pledge law is the existence of legal boundaries. God, as the redeemer (point four), establishes legal boundaries (point three) around property delegated to men (point two).

A. The Pledge

At the very heart of the debt relationship is the pledge. The pledge serves as collateral: the debtor's economic motivation to repay. If he fails to repay, he loses ownership of the pledge. Until he fails to repay, he retains possession of it. He can exclude others from access to it. But his failure to keep his promises (stipulations) leads to the transfer of control to the creditor, who defends his right to exclude the debtor by means of the stipulations of the loan contract.

The theocentric model of the pledge is God's promise. By means of a pledge, He places His reputation on the line. If He fails to fulfill His pledge, He loses His reputation. He therefore loses His judicial

status as God. This, of course, cannot be; this is why God fulfills His verbal pledges. He has too much at stake not to. Moses reminded God of this fact when God threatened to destroy Israel and make Moses the patriarch of a new nation (Ex. 32:11–13).

The first pledge recorded in the Bible is God's promise to Adam that in the day that Adam ate of the forbidden tree, he would die (Gen. 2:17). This promise was fulfilled: Adam did die that day, judicially speaking. He died definitively. The curse of death came on him and his heirs. Adam was a dead man walking. Death and damnation, as with life and salvation, are definitive, progressive, and final. The final death is the second death of the lake of fire (Rev. 20:14). Had it not been for God's willingness to sacrifice His son on behalf of Adam and Adam's heirs (Heb. 2:17), man's temporal existence from that time on would have been a working out of this definitive judicial status of death. God announced the grace of this future substitutionary atonement in His pledge to Adam regarding the coming of an heir who would crush the head of the serpent (Gen. 3:15). This grace is both common and special. That Adam still walked was proof of God's common grace. That his son Abel offered an acceptable sacrifice to God was proof of God's special grace.

Man's pledge, unless in the form of a vow before God, does not partake in the character of an oath.[1] It has stipulations, but it does not invoke God's direct sanctions in order to validate the promise. It therefore has more to do with law and boundaries than with either oath or hierarchy. It has to do with contract rather than covenant.

A pledge is a tool of dominion. It enhances its owner's ability to extend his dominion. A tool lowers the cost of achieving one's goals. The pledge or collateral may sometimes be so closely associated with the individual that to remove it from him completely can undermine his definition of himself. As a dominion law, it was not a seed law or a land law. It was a cross-boundary law.[2]

Man's word is not God's word. Man's promise is not God's promise. Man does not lawfully defend his words and his promises with the same degree of commitment with which God defends His. "It is a faithful saying: For if we be dead with him, we shall also live with him: If we suffer, we shall also reign with him: if we deny him, he also will deny us: **If we believe not, yet he abideth faithful: he cannot deny himself**" (II Tim. 2:11–13). In short, *man is a greater risk than*

1. Chapter 58.
2. On these legal categories, see Appendix J.

God. Believing in man's word is far more risky than believing in God's word. Therefore, a wise creditor asks for collateral, or else he imposes a higher rate of interest on a loan before he extends it. A man's promise to repay may be merely verbal or contractual, such as with a "signature loan" or a credit card loan. Such uncollateralized loans command higher interest rates than collateralized loans because they are more risky. Borrowers are statistically more likely to default on such loans. This is why they must offer to pay lenders a higher rate of interest in order to obtain loans. All borrowers in this statistical classification of borrowers pay a higher rate because a higher percentage of borrowers in this class will default. The lender must be compensated for this additional risk.

A collateralized loan adds security to the loan, i.e., it increases the statistical likelihood that the borrower will repay the debt. The pledge is a valuable item—at least to the borrower—that the borrower agrees to transfer to the lender, should he default on the loan. The pledge could be a tool of production. This case law specifies that if this tool is basic to the borrower's life or productivity, it must remain with him. His means of escaping debt bondage must not be taken from him by the creditor.

These pledge laws are extensions of the laws governing collateral: "If thou at all take thy neighbour's raiment to pledge, thou shalt deliver it unto him by that the sun goeth down: For that is his covering only, it is his raiment for his skin: wherein shall he sleep? and it shall come to pass, when he crieth unto me, that I will hear; for I am gracious" (Ex. 22:26–27).[3] A poor brother's life is not to be endangered by having to surrender his coat as a pledge against debt.

This law does not protect the covenant-breaker. It is not a general equity law. The covenant-breaker is to be subdued economically for the glory of God. "The LORD shall open unto thee his good treasure, the heaven to give the rain unto thy land in his season, and to bless all the work of thine hand: and thou shalt lend unto many nations, and thou shalt not borrow. And the LORD shall make thee the head, and not the tail; and thou shalt be above only, and thou shalt not be beneath; if that thou hearken unto the commandments of the LORD thy God, which I command thee this day, to observe and to do them" (Deut. 28:12–13).[4]

3. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 3, *Tools of Dominion* (1990), ch. 49.

4. Chapter 70.

B. Tools of Dominion

The millstone is a miller's source of livelihood, but it is not his source of biological life. He can make a living doing something else, but he believes that cannot make as good a living. A man is versatile. He can do many kinds of work. But a man is also limited. Each man performs certain tasks with greater skill than he performs others. Because some men are more skilled than their fellows in particular areas of production, they can perform these services less expensively than their competitors. This set of circumstances makes possible the social division of labor.

1. The Social Division of Labor

The range of skills across the human race is stupendous. A man who has one set of skills can learn different skills. A man is not a machine. A machine can perform one task well. The more complex the machine, the fewer uses to which it can be put profitably. A machine that makes one item falls to scrap value if demand for that one item falls to zero and is expected to stay there by all entrepreneurs. This condition is not true of a man. He can learn new skills if the demand for his present specialized abilities should fall.

Because of the highly diverse and unspecific nature of human labor, men can gain income by exchanging their specialized labor services for other specialized services or goods. Because of the highly specific abilities which some men possess, they can gain a higher price than their competitors for their labor services. But selling these specialized labor services is risky. If demand for a specific labor service declines, the seller will lose income faster than another man whose more general skills rarely face an equally large decline in demand. An across-the-boards decline in demand is far less likely statistically than a decline in demand for a specialized service or product.

In times of economic growth through capital investment, income rises faster for those who supply specialized labor. Why? Because their unique abilities have been made more productive by specialized tools of production. This income advantage persuades additional people to specialize. *The social division of labor increases when capital investment increases*.[5] Conversely, in times of economic decline, when the division of labor shrinks because of a shortening of the structure

5. Friedrich A. Hayek, *Prices and Production*, 2nd ed. (London: Routledge & Kegan Paul, [1935] 1960), ch. 2. Cf. Mark Skousen, *The Structure of Production* (New York: New York University Press, 1990), ch. 3.

of production,[6] the specialist producer may find that his income falls rapidly. He must then abandon his specialty. The man who uses a specialized tool of production to gain his income is therefore more vulnerable to shifts in demand than his less capitalized neighbor. He gains his income by producing a specialized service or product. He builds his way of life—his pattern of expenditures—in terms of the income generated by his tool. If he demand falls for his output, or if he loses access to this tool, his way of life will be disrupted.

2. No Tools, Low Output

The miller has invested capital and time in mastering the tools of his trade, which in this case are a pair of millstones. He then seeks a loan. The lender demands one of the millstones as a pledge. Without his complementary tools of production, his output falls rapidly. He must revert to selling less specialized forms of labor. These services bring a lower return because there are more competitors who can underbid him in this new field than there had been in his old field. He has lost his competitive advantage. His ability to repay the loan falls. His self-definition as a participant in society is undermined by the loss of his tool of production. Both his self-image and his productive role in society are threatened by the loss of his tool.

This case law prohibits the lender from taking a millstone as a pledge. He is restricted in two ways. First, the lender may not legally collect this pledge in advance of repayment, which would increase the likelihood that the loan will not be repaid, thereby forcing the miller into servitude. Second, the language indicates that he must not accept the millstone as a default pledge, i.e., a transfer of ownership to the lender should the borrower default. God says: "Hands off!" To reduce the risk of the debtor's default in the absence of the millstone as a pledge, the lender must therefore either ask for a higher rate of interest (if this is a profit-seeking loan) or else content himself with some other form of pledge, including the man's willingness to be sold into indentured servitude.

Wouldn't the debtor's self-image be threatened by indentured servitude? Yes. I conclude that this prohibition against taking a millstone as a pledge must have more to do with his life as a producer than his life as a free man. Under the Mosaic economy, a lender was allowed to sell the debtor into servitude or force him or his children (II Kings 4:1–7) to come and work for him until the debt was paid off. But the lender

6. *Ibid.*, ch. 3. Skousen, *ibid.*, ch. 9.

was not allowed to take away the man's tools of production. Without these, the debtor could not readily buy his way out of servitude. Furthermore, society would lose his output as a tool-endowed, specialized producer. To enhance the debtor's ability to pay off the loan and, if necessary, buy his way out of debt servitude, this law allowed him to retain ownership of his tools of production. As a secondary benefit to society, this law kept the producer in the work force as a specialist.

To put this law into a modern setting, there is no doubt that taking an automobile tire as collateral can be a high motivational technique to get repayment from a man with only one car with only four tires (no spare). He cannot drive into town without it on Saturday night. But he also cannot drive to work or do odd jobs that would earn him extra money. Without the use of his car, he falls under the threat of permanent debt, meaning permanent bondage. This case law rejects as illegitimate the use of such collateral during working hours. The required collateral is not to be part of a man's tool kit of dominion. If a debtor owns a sports car that is his pride and joy, as well as an old car for pulling loads of hay, it would be legitimate to take one or more tires of the sports car. The sports car testifies to his misplaced sense of priorities. Humbling his pride is different from breaking his spirit by bankrupting him.

C. The Good Life

A specialized producer can shift to a less specialized occupation and still put food on his family's table. The man without a pair of millstones is not facing starvation. Yet the language of this text indicates that the millstone was the man's life. I conclude that the language must be referring to something other than biological life. What does this text mean? While the Hebrew word here is often used in the sense of biological life, it has other meanings. It often means *a man's chief desire*. "And Hamor communed with them, saying, The **soul** of my son Shechem longeth for your daughter: I pray you give her him to wife" (Gen. 34:8). "The enemy said, I will pursue, I will overtake, I will divide the spoil; my **lust** shall be satisfied upon them; I will draw my sword, my hand shall destroy them" (Ex. 15:9). "Also thou shalt not oppress a stranger: for ye know the **heart** of a stranger, seeing ye were strangers in the land of Egypt" (Ex. 23:9). "But now our **soul** is dried away: there is nothing at all, beside this manna, before our eyes" (Num. 11:6). The use of the word in the passage that preserves open fields, is close to the meaning in this text: "When thou comest

into thy neighbour's vineyard, then thou mayest eat grapes thy fill at thine own **pleasure**; but thou shalt not put any in thy vessel" (Deut. 23:24).[7] A man's heart and *soul* define his life in his own eyes. "But if from thence thou shalt seek the LORD thy God, thou shalt find him, if thou seek him with all thy heart and with all thy **soul**" (Deut. 4:29). "Chief desire" seems to be the meaning in this text.

A millstone is a tool of bread-making, but owning one is not a matter of life and death. It is possible to eat grain without grinding it into bread. Corn can be eaten on the cob. Wheat can be sprouted or cooked as cereal. A man need not starve because he does not own a pair of millstones to grind his grain.

Bread is more than nutrition; it is symbolic of the full life. "Give us this day our daily bread" (Matt. 6:11)[8] refers to a comfortable way of life, a good life. As such, bread is one of the sacraments.[9] Where there is no millstone, there will be something important lacking: bread, which provides a sense of personal and social fulfillment. This condition of dearth is a mark of God's judgment: "Moreover I will take from them the voice of mirth, and the voice of gladness, the voice of the bridegroom, and the voice of the bride, the sound of the millstones, and the light of the candle" (Jer. 25:10). A society in which millstones are not grinding is a society under God's wrath.

This case law forbade a creditor from taking away one of the means of the good life. This law was not restricted to millers. It was more comprehensive than that. A poverty-stricken family enjoys its daily bread. It should not have this enjoyment cut off by a creditor. A covenant-keeper is not deliberately to reduce another covenant-keeper to beggary. "I have been young, and now am old; yet have I not seen the righteous forsaken, nor his seed begging bread" (Ps. 37:25).[10]

D. Household Authority

The independent head of the household should not have his authority undermined. The very term "breadwinner" indicates the importance

7. Chapter 58.

8. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2003] 2012), ch. 12.

9. This is why fermented wine is also one of the sacraments. It is part of the full life, the good life. Being without it is a curse of God for sin. "Forasmuch therefore as your treading is upon the poor, and ye take from him burdens of wheat: ye have built houses of hewn stone, but ye shall not dwell in them; ye have planted pleasant vineyards, but ye shall not drink wine of them" (Amos 5:11).

10. Gary North, *Confidence and Dominion: An Economic Commentary on Psalms* (Dallas, Georgia: Point Five Press, 2012), ch. 6.

of bread. It is a mark of authority, of productivity, to provide bread. A breadwinner who is reduced by another man's deliberate actions to eating wheat sprouts and cereal has been stripped of his authority. The covenant-keeper is not to strip his fellow covenant member of his dignity. This is why the lender does not have lawful access to the debtor's house. He must stand outside the boundaries of the debtor's house and wait for the debtor to bring out the pledge.

Basic to dominion is confidence in oneself and one's future. *Anything that degrades a man is a threat to his ability to fulfill the terms of the dominion covenant*. This applies even to corporal punishment: "Forty stripes he may give him, and not exceed: lest, if he should exceed, and beat him above these with many stripes, then thy brother should seem vile unto thee" (Deut. 25:3). A man must not be deliberately humiliated. The prohibition against taking a man's millstone is related to this concern. A man who has been stripped of the marks of authority in his own household is not in a strong position to recover his lost productivity. He is less likely to "bounce back" from adversity. The lender is to refrain from actions that would needlessly inhibit the recovery of the covenant-keeping debtor. The extension of God's kingdom through the corporate efforts of the covenant-keeping community must not be needlessly inhibited.

The creditor knows that the debtor will be motivated to repay the debt if the creditor owns something of value. But there is a difference between owning something of economic value and something of psychological value. The debtor wants to have his pledge returned, so he works to replay the loan. But an item that is vital psychologically for a normal man's ability to repay, such as a millstone used to put bread on his own table, is not to be taken as collateral. His loss of collateral is not to threaten his ability to repay. The goal is *repayment through liberty*, not perpetual subordination.

E. Sanctions

What is the state's role in enforcing this law? First, it must refuse to enforce the terms of a contract if the contract uses the crucial tools of a man's trade as his pledge. But should the state bring negative sanctions against a lender who actually collects such a pledge? That is, should the state require the lender to pay double restitution to the victim of the prohibited contract? In this case, should the lender be required to return to the debtor his upper millstone, plus an additional one?

One of the goals of biblical law is to protect people from the rise of an arbitrary state. If the lender who has collected his collateral from a defaulting borrower cannot predict with a high degree of accuracy whether a judge or jury will regard this collateral as an indispensable tool of the borrower's trade, then the greater the potential penalty that can be assessed by the court, the less likely the creditor will make the loan in the first place. If he may be retroactively required to return the pledge, he will consider this possibility when counting the cost of making the loan. The threat of double restitution increases this cost. The very unpredictability of the court reduces the size of the credit market. The court's decision regarding the crucial nature of the pledge is inherently difficult to predict. If the lender might be compelled to pay double restitution as a criminal penalty, he may choose not to make the loan.

On the other hand, if the state is not allowed to enforce this law, this law loses its status as a civil law. Society's wealth will be threatened by the possibility that millers will lose their upper millstones—and not merely millers.

How can the two goals be reconciled, so that would-be debtors can obtain loans, and society will also retain the services of skilled craftsmen?

One way is for magistrates to refuse to enforce the terms of a biblically prohibited debt contract. Surely, a magistrate should not enforce a murder contract. This situation is analogous. A magistrate would require the lender to return the tool-based collateral to the borrower. But no criminal sanctions are imposed, because no criminal intent can be proven. Perhaps the lender did not understand that this tool was truly crucial to the borrower's productivity. Besides, the borrower must not be thought of as without information about his own occupation. If he failed to inform the lender about this, he must bear some of the responsibility. So, this is not a criminal matter.

Society needs protection from an arbitrary state far more than it needs protection from grasping creditors who drive hard bargains. An arbitrary state is dangerous to men's freedom and society's wealth. It is not only lenders who must be placed on a tight leash; it is also state bureaucrats. To allow the state to impose criminal sanctions against a creditor who has taken a tool of production as collateral from a borrower is to foster the expansion of state power. God provides a positive sanction: "it shall be righteousness unto thee before the LORD thy God" (v. 13). That is, God has made a pledge. Men can count on this. God has given His word.

F. The Boundaries of a Man's Home

The lender must not violate the boundaries of a debtor's home. When the debtor brings out his pledge, either before the loan is made or after he has defaulted, the lender must wait outside the doors of the household. This makes it clear to all parties that the obligation has been met by the payment of the pledge. The lender exercises authority over the pledge. He does not exercise authority over the debtor. *The hierarchy of the contract extends from the lender to the pledge*. It does not extend to the debtor.

This means that the *debt relationship*, when collateralized by a marketable asset, is *limited in scope*. It is, in this restricted legal sense, an impersonal relationship. The lender must content himself with collecting the pledge. He is not given authority to transgress the boundaries of the debtor's house.

The *dignity of the debtor* is preserved by this law. He is not to be humiliated. For a lender to march across the door of the debtor's home is to humiliate the debtor. This is not lawful. There is a limit on the debtor's obligation. One limit is the door of his household. This is a judicial boundary.

This does not mean that the state is similarly restricted. If the debtor refuses to transfer the contract's pledged item to the lender, then the lender has the authority to appeal his case to the state. The boundaries of the home protect the borrower from an invasion by the lender. They do not protect against the invasion of the state in defense of a lawful contract. The state, in its capacity as God's delegated agent, possesses the authority to enforce lawful contracts. The lender has become the victim. The state must defend the victim's rights.[11]

G. Burdensome Collateral

The text continues: "And if the man be poor, thou shalt not sleep with his pledge: In any case thou shalt deliver him the pledge again when the sun goeth down, that he may sleep in his own raiment, and bless thee: and it shall be righteousness unto thee before the LORD thy God." This is a recapitulation of the earlier law of collateral: "If thou at all take thy neighbour's raiment to pledge, thou shalt deliver it unto him by that the sun goeth down: For that is his covering only, it is his raiment for his skin: wherein shall he sleep? and it shall come

11. Gary North, *Victim's Rights: The Biblical View of Civil Justice* (Tyler, Texas: Institute for Christian Economics, 1990).

to pass, when he crieth unto me, that I will hear; for I am gracious" (Ex. 22:26–27).[12] The law in Exodus pledges a negative sanction: "I will hear," meaning judgment in history.[13] This pledge by God must be acknowledged by men and honored in word and deed.

The lender must return life-preserving collateral every evening. This form of collateral is not a tool of production. Demanding a tool of production as a pledge is altogether prohibited. This collateral is an asset that is necessary to sustain life for part of the day. If it is cold outside, day and night, then such collateral is prohibited by the language of verse 6, "for he taketh a man's life to pledge." So, this asset must be life-preserving in the sense of not humiliating a man by making him shiver through the night, i.e., removing from him the good life. Shivering through the night is the functional equivalent of not eating bread. Returning the collateral every night is a major burden on him. It is bothersome. The lower the market value of the loan and its collateral, the less willing a lender will be to demand this item as collateral. The time wasted is worth more to the lender than the loan is worth to him. He has the option of not collecting the collateral daily. But he also has the option on any morning of claiming it. This right of the lender lowers the possibility of a form of fraud on the part of the borrower which I call multiple indebtedness.

H. The Restriction on Multiple Indebtedness

I have covered this aspect of the laws governing collateral in another place.[14] Here I expand on my earlier analysis. If his cloak is his collateral, then he can lawfully pledge it for only one loan. He can use the collateral to keep warm at night, but he must not use it to secure another loan. He cannot lawfully offer a pledge of his cloak to half a dozen lenders, none of whom is aware that the cloak has been pledged to five other lenders. *Multiple pledges secured against the same collateral are fraudulent*. Each of the lenders believes that his loan is secured by an item that is important to the borrower, an item that the borrower does not want to lose. But if it is being used to secure six loans, the debtor at some point may decide: "I can't earn enough money to pay off all of my creditors. I am too far in debt. Why should I bother to

12. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 3, *Tools of Dominion* (1990), ch. 49.

13. "If thou afflict them in any wise, and they cry at all unto me, I will surely hear their cry; And my wrath shall wax hot, and I will kill you with the sword; and your wives shall be widows, and your children fatherless" (Ex. 22:23–24).

14. North, *Authority and Dominion*, ch. 49:J.

repay any of these people?" The magnitude of his debt becomes a motivation to stop repaying. The debtor gives up. This defrauds the lenders, who believed that the pledge was an incentive for him to repay. Instead, because of multiple pledges, it became an incentive for him to go so far into debt that the loans could not be repaid. This is a misuse of the concept of collateral. *Multiple indebtedness is a lure into greater debt and greater risk*.

By allowing the creditor to take possession of the pledge during the day, this law discourages the practice of multiple indebtedness. The pledge is still useful to the debtor, but it is also useful to the lender, not as an income-producing asset but as a chain that limits the debtor's opportunity to go too deeply into debt.

1. Fractional Reserve Banking

The modern banking system is a fractional reserve system.[15] Depositors (lenders) are encouraged by bankers (debtors) to deposit funds in banks. The bank offers a rate of interest to its depositors. The banker then lends out all but a small fraction of the money deposited. He makes an interest rate return on the money lent out. He pays a lower rate to depositors. The bank earns income through the spread between these two rates. The small percentage of the deposits kept in reserve can be used to pay to depositors who come in and withdraw their money. The banker assumes (correctly) that on most days, the amount of money deposited will be close to the amount of money withdrawn. The bank keeps a small reserve to make up any excess of withdrawals over deposits.

The system rests on a lie. The bank offers all of the depositors a guarantee: you may withdraw your money on demand. Yet it then lends the deposits to debtors who by contract need not repay for months or years. The bank is, in the investment world's phrase, "borrowed short and lent long." The bank cannot make good its promise of "withdrawal on demand" if too many depositors come in and demand their money on the same day.

If depositors believe that a bank is in trouble—suffering from either excessive withdrawals or risky loans—fear spreads. A bank run begins. When this happens, a line of would-be withdrawers forms in front of a bank. Lines spread to many banks. Even if one bank can be bailed out by other banks, or the nation's central bank, a large num-

15. Gary North, *Honest Money: The Biblical Blueprint for Money and Banking* (Ft. Worth: Dominion Press, 1986), ch. 8.

ber of banks cannot be bailed out at once, except by printing money to hand out to depositors.

The banks' guarantee is then exposed for what it was from the beginning: no better than the banking system's ability to fool depositors about the inherent risk in a payments system that rests on a statistical impossibility. The banking system as a whole cannot fulfill its guarantee of sufficient funds for depositors to withdraw at any time. The banking system can fulfill it only when most depositors believe that the banking system can fulfill it. When an inherently unpredictable number of depositors simultaneously reach the conclusion that the guarantee is not only impossible to fulfill (logic should have told them this), but is about to be defaulted on, the bank run begins.

When an inherently unpredictable number of banks cannot meet their obligations, the domino effect begins. The payments system begins to collapse. An economy rests heavily on promises to buy or sell, to pay and deliver. This highly complex system of mutually interrelated obligations rests on the central promise of the banks regarding money: "You can get your money out of this institution on demand." If the banks default on this promise, all of the other promises in the economy are at risk. When the banks cease making payments to their depositors and to each other, almost every economic promise is called into question. It is not just the banks that have made promises; *everyone has made promises*. Employers have made promises to employees. Suppliers have made promises to deliver goods and services. Producers have invested resources in making available goods and services that cannot be sold under the new conditions. They stop making any further investments. They fire employees.

The social division of labor rests on a reliable means of payment. But the fractional reserve banking system is inherently unreliable. It rests on a known lie that is called into question by depositors periodically. When this happens, the payments system breaks down. As a result, the social division of labor shrinks rapidly. This destroys the market for specialized production. *The greater the degree of his specialization, the more vulnerable the seller is to falling demand*. Unemployment increases. Fear spreads. The downward spiral accelerates.

2. The Payments System

The breakdown in the payments system has an effect very much like the effect caused by a creditor who takes the debtor's upper millstone. In a breakdown in the payments system, the miller still owns

the upper and lower millstone, but he cannot sell the output of these stones at the previous high price. There is insufficient demand at the previous price, or perhaps at any price. Yet he has built his way of life—his pattern of expenditures—on the expectation of a particular stream of income. The breakdown in the payments system dries up his stream of income. He must now seek other forms of income. This usually means producing less specialized goods or services. Yet he enters this less specialized market at a time when large numbers of other specialized producers are abandoning their occupations in an attempt to replace their dried-up income streams. We call this event an economic depression. It can come in one of three forms: (1) a collapse of the banking system and a reduction in the supply of credit (deflation); (2) a vast increase in the money supply through the printing press (inflation); or (3) inflation with legislated price ceilings (shortages and rationing).

The breakdown in the payments system destroys the accuracy of the array of prices that had been established under the older payment conditions. It is as if all the information in a computer became erroneous. The crucial information previously generated by the price system is undermined by the breakdown in payments. The intricate web of supply and demand is shredded. Forecasts made in terms of the previous array of prices are exposed as wasteful. Capital projects are exposed as loss-generating. Promises made to employees threaten the survival of their companies. Everyone's life style is threatened by the breakdown in promises caused by the breakdown in the payments system. *This is the inevitable effect of the fractional reserve banking system.* The banking system's lie is universally exposed as a lie. Statistically, this time of exposure—this day of reckoning—has to happen eventually.[16] Yet most men are surprised when it does.

Because the credit money system applies to all participants in the market, its breakdown endangers everyone. It is not a case of one debtor's default. Such a default may temporarily undermine the payments system of those to whom he previously bought and sold, but this disruption is temporary and local. But when the banking system collapses, the effects are widespread. There is no fall-back position for the vast majority of the producers in the economy, i.e., no reserves. The reserves were in the banks. They are long gone. Only those people who enjoyed a debt-free way of life based on a low divi-

16. Ludwig von Mises, *Human Action: A Treatise on Economics* (New Haven, Connecticut: Yale University Press, 1949), ch. 20.

sion of labor can go through the payments adjustment period without experiencing a potentially devastating psychological crisis. The Amish and especially the Hutterites may go through the payments crisis unscathed, assuming that their gun-owning neighbors and a well-armed local police force protect them from thieves. Residents in the deepest bayous of Louisiana may not experience a large change in their life style. Almost everyone one else will.

I. The Dominion Covenant and Social Hierarchy

The doctrine of the covenant itself is point two of the biblical covenant. We can see this in the very structure of the Pentateuch. The Book of Exodus is the book of the covenant.[17] It is also the second book of the Pentateuch. The second point of the biblical covenant is hierarchy.[18] A covenant is necessarily hierarchical. God initiates it, and man responds, either as a covenant-keeper or a covenant- breaker. A covenant is not a contract between or among equals.[19] There is always a superior involved: God.

In the dominion covenant, God is the archetype; man is made in His image. From this we draw a conclusion: because God is not a servant of Satan, covenant-keeping man should not become a servant to covenant-breaking man. On the contrary, the opposite is the biblical ideal: covenant-breaking man is to become a servant of covenant-keeping man. Covenant-keeping steadily puts covenant-keepers at the top in history. This process is built into the creation itself. It is recapitulated in God's law.

Sometimes covenant-keepers fall into dire straits through no fault of their own and must become servants of other covenant-keepers. There were rules in the Mosaic law governing such servitude (Lev. 25:14–17).[20] It was to be mild. The superior in the relationship was not to oppress the subordinate.

17. "And he took the book of the covenant, and read in the audience of the people: and they said, All that the LORD hath said will we do, and be obedient" (Ex. 24:7).

18. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 2. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 2.

19. The great evil of social contract theory, whether Lockean or Rousseauvian, is that it is seen as a judicial bond among equals. These equals contract together to create a superior entity, the state. There is a hierarchy, but it is strictly a natural hierarchy. It is said to be governed by natural law, not supernatural law.

20. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), ch. 25.

Poverty and debt produce a form of servitude. "The rich ruleth over the poor, and the borrower is servant to the lender" (Prov. 22:7).[21] It is best to be financially independent and out of debt. It goes against the biblical model of liberation when a covenant-keeper seeks to enslave fellow believers. The widow, the orphan, and the stranger were to be protected. This passage extended the Exodus passage: "Thou shalt neither vex a stranger, nor oppress him: for ye were strangers in the land of Egypt. Ye shall not afflict any widow, or fatherless child" (Ex. 22:21–22).[22] These three figures served in the Mosaic law as the chief examples of vulnerability. Their legitimate interests were to be upheld in civil courts and in economic transactions. The way that these groups were treated testified to the moral condition of society. The reference in both passages to Egypt pointed back to the era in which God's people were unfairly oppressed. The exodus generation and the conquest generation were reminded: as sons of God, they had deserved liberation, and God had delivered them by destroying their evil oppressors. The lesson should have been plain enough: they should expect similar negative sanctions for similar transgressions.

Conclusion

The law prohibiting a creditor from taking a man's tools of production as a pledge against the loan supports a higher social division of labor.[23] By enabling the producer to stay in his chosen line of work, this law encourages him to supply the demand of customers more efficiently. The debtor does not forfeit his way of life, just so long as he repays his loan on time, as he promised. He retains the ability to repay his debt. A debt incurred on the basis of his previous level of income is more easily repaid when he keeps his tools of production.

The problem comes when everyone has made pledges, i.e., contracts. They have promised to buy or sell in the future at a specific price. They have become dependent on the promises of others to buy or sell at specific prices. Their way of life is based on the maintenance of an expected array of prices. The breakdown in the payments system destroys these expectations. It forces men to break their promises. The fractional reserve banking system cannot indefinitely fulfill

21. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs*, 2nd ed. (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 67.

22. North, *Authority and Dominion*, ch. 48.

23. In the United States, a man who declares bankruptcy must turn over his assets to the court, which sells them to repay his creditors. But there is an exemption: the tools of his trade.

its pledge to allow depositors to withdraw their funds at any time. At some point, the banking system's pledge will be broken: depositors will not be able to withdraw their money. Everyone's income falls because of the rapid and widespread shrinking of the division of labor.

When men move from a high level of income based on a high social division of labor to a low level of income based on a reduced social division of labor, they experience a loss of dignity. *The economy's collective economic depression produces individual psychological depression*. This is why fractional reserve banking is a threat to society. By violating the Mosaic law's restriction on multiple indebtedness, fractional reserve banking places society at great risk. At some point, the statistical risk of a breakdown in the payments system produces the event. Very few people are ever prepared for it. Personal self-esteem suffers a devastating attack. Men's dreams are wiped out. Some men work harder. Most men become fearful of risk. Dominion suffers.

The law prohibiting a lender from entering the home of a debtor to take possession of the debtor's pledge preserves the dignity of the debtor. It protects the boundaries of his home, which means the boundaries of his covenantal authority as the head of his household. Until he defaults on the loan, he maintains at least some degree of dignity. This is important for a man's productivity. It is therefore important for maintaining society's wealth. Men who have lost their self-confidence do not make effective entrepreneurs and workers.

61

WAGES AND OPPRESSION

> *Thou shalt not oppress an hired servant that is poor and needy, whether he be of thy brethren, or of thy strangers that are in thy land within thy gates: At his day thou shalt give him his hire, neither shall the sun go down upon it; for he is poor, and setteth his heart upon it: lest he cry against thee unto the* LORD*, and it be sin unto thee.*
>
> DEUTEREONOMY 24:14–15

The theocentric focus of this passage is two-fold. First, God pays us what He has agreed to pay us, and He pays us on time. His words are reliable—laws, in fact. Second, God is a protector of those who cannot protect themselves. He places protective boundaries around the defenseless. Both of these principles are aspects of point three of the biblical covenant: boundaries.[1]

A. Withholding Wages

This was not a seed law or a land law. It was a cross-boundary law.[2] This was an extension of Leviticus 19:13: "Thou shalt not defraud thy neighbour, neither rob him: the wages of him that is hired shall not abide with thee all night until the morning."[3] There, the practice of withholding wages overnight is described as robbery. Here, the sin is identified as oppression.

The previous section of Leviticus 19 deals with theft through fraud: the deliberately deceptive use of words (vv. 11–12).[4] The first half of

1. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012).
2. On the difference, see Appendix J.
3. *Ibid.*, ch. 13.
4. *Ibid.*, ch. 12.

verse 13 repeats this warning. The second half adds another form of fraudulent wealth transfer: the withholding of a worker's wages overnight. This act is specified as fraud, and it is also specified as robbery. The question is: Why? If the worker agrees in advance to wait longer than a day for his pay, why should the law of God prohibit the arrangement? Or does it? (Here, I reproduce the relevant sections of chapter 13 of *Boundaries and Dominion*.)

It is always helpful in understanding a case law if we can first identify the theocentric principle that undergirds it. Verse 13 deals with paying a debt. *The employer-employee relationship reflects God's relationship to man*. God provides us with an arena: life and capital. Similarly, the employer supplies an employee with capital that makes the employee more productive. Man is dependent on God. Similarly, the laborer has worked for a full day. The employer is required to pay to him at the end of the work day. The context is clear: *rapid payment for services received*. God employs us as His stewards. He gives us the tools that we need to serve Him and thereby serve ourselves. He always pays us on time. So should the employer.

The employer who withholds wages from his employees is making a symbolic statement about God's relationship to man: God supposedly delays paying man what is rightfully owed to him. This symbolism is incorrect. It testifies falsely about God's character. This case law makes it plain that the employer owes payment before the sun goes down, a reference back to the creation: the division of day and night (Gen. 1:16–18; cf. Matt. 20:8).

God delays settling all accounts with mankind until the end of man's week in history, the final Day of the Lord.[5] Man is *definitively* in debt to God, for God did not slay Adam on the day of transgression. Man is *progressively* in debt to God, for God has given to man far more than man has given God. God's refusal to settle accounts with men in this life is testimony of His grace to each man—an undeserved extension of credit—and also of a final judgment to come. Man is *finally* in debt to God.

God graciously gives gifts to all men until the day of judgment: common grace to all and special grace to His elect.[6] So, by implication, it is legitimate for an employer to pay his workers in advance,

5. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1982] 2012), ch. 5.

6. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1987).

for this testifies to the true debt relationship of man to God. Man, the employee, owes much to God, the employer, who has advanced wages to man so that man may work out his salvation or damnation in fear and trembling. Understand: *this grace on God's part places mankind increasingly in God's debt*—a debt that is growing ever larger as time extends and God's common grace compounds. If men do not repent, there will be hell to pay, i.e., there will be God to pay in the ultimate debtor's prison (Matt. 18:23–35).[7]

B. A Position of Weakness

The wage earner is assumed by God to be in a weaker economic position than the individual who is paying his wages. This employer-employee relationship reflects God's supremacy as the sovereign employer and man's subordination as a dependent employee.

If the wage earner is not paid immediately, then he is being asked by the employer to extend credit to the employer. The employer gains a benefit—the value of the labor services performed—without having to pay for this benefit at the end of the work day. The Bible allows this extension of such credit during daylight hours, but not overnight.[8] This law teaches that the weaker party should not be forced as part of his terms of employment to extend credit to the stronger party. God acknowledges that there are differences in bargaining power and bargaining skills, and He intervenes here to protect the weaker party. This is one of the rare cases in Scripture where God does prohibit a voluntary economic contract.

What if the worker says that he is willing to wait for his pay if he is given an extra payment at the end of the period to compensate him for the time value of his money (i.e., interest)? This would be an unusual transaction. The extra money earned from two weeks of interest would be minimal in comparison to the amount of the wage. In any case, to abide by the terms of this law, such a voluntary agreement would have to be *a legal transaction publicly separate from wage earning as such*. There would have to be a public record of its conditions. It would constitute an investment by the worker. There is no biblical law that prohibits a poor man from earning interest on his money. Usury is defined as the taking of interest from a poor man who has

7. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 37.

8. By implication, the night laborer is under the same protection: he must be paid before the sun rises. The idea is that he must be paid by the end of the work day.

requested a zero-interest charitable loan.[9] Usury is not the same as an interest-paying loan to a rich man from a poor man who wants to make some extra money.

The law here specifies that an employer who hires an individual to work for a period of time has to have the money available to pay that individual on a daily basis at the end of each work day. This is the employer's standard requirement. There would be no confusion about this in a Christian covenanted society.

There is no doubt that in the modern world, such an arrangement is not economically efficient. Checks must be written, checks must be delivered to individuals, account books must be kept, and so forth. If this had to be done daily, it would add to the expense of running a firm.[10] The larger the firm, the more difficult such an arrangement would be. Nevertheless, the employer is required by God to abide by this law. The question is: Can he lawfully substitute a more convenient payment scheme and still meet the requirements of this law?

C. Debt and Credit: Inescapable Concepts

If the employer decides that it is too much trouble to pay each worker at the end of each work day, he must advance the funds for the period of employment prior to the next payday. Thus, if the average period of employment between paydays is two weeks, the employer must bear the risk of paying an individual for work not yet received. The employer must extend credit to the worker. *The worker must assume a debt obligation*: two weeks of agreed-upon labor services.

Payments for a stream of services are not simultaneous, although this limitation will change when the use of electronic cash becomes widespread. Therefore, one of the two parties in this transaction must go into debt in this system, while the other must extend credit. *There is no escape from debt and credit without the digital technology of continuous payments*. What this law authorizes is an extension of credit by the worker to the employer for a maximum of one work day. At the end

9. Chapter 35. Cf. North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 3, *Tools of Dominion* (1990), ch. 49.

10. In the German inflation in 1923, workers were sometimes paid cash in the morning. Wives would accompany them to work, take the cash, and rush to spend it on anything tangible before it depreciated during the day. This inflation devastated workers and employers alike. On the daily payment of wages in the second half of 1923, see Adam Ferguson, *When Money Dies: The Nightmare of the Weimar Collapse* (London: William Kimber, 1975), pp. 149, 191.

of the work day, the account must be settled. Credit is no longer extended by the worker, so he receives his day's wage.

What if the transaction is different? What if the worker is paid in advance for a week or two of labor? He then necessarily becomes a debtor to the employer. He is required to deliver the work that he has been paid to perform. This places the worker in a debt position, but it is not a long-term debt. It is not considered a form of slavery, but there is no doubt that the worker has voluntarily accepted payment in advance, and this creates an obligation on his part. This debt position is limited, however. The law's presumption is that the employer is not going to pay a person in advance for months of work except in very rare circumstances.[11]

It is clear that debt and credit are inevitable in an economy that is based on the division of labor. One party must extend credit to the other for some period of time. The other party therefore must become a debtor. The period of the debt in a labor contract may be brief, but it does exist. The inescapable questions are: (1) who will be the creditor, (2) who will be the debtor, and (3) for how long a period of time? *The idea of a debt-free economy is utterly utopian*. It is not economically possible to establish such an economy unless payments are simultaneous, moment by moment.[12] Such a payment system is too expensive for any organization to establish today. It would destroy the labor market if it were required by law.

The Bible teaches that we are not to become indebted to others: "Owe no man any thing, but to love one another: for he that loveth another hath fulfilled the law" (Rom. 13:8).[13] This must not be interpreted in an absolutist fashion. We know this because every person is in debt to God, and also to the perfect man, Jesus Christ, as a result of Christ's atoning work at Calvary.[14] This rule of debt-free living should be interpreted in a non-utopian sense. It means that *we are to avoid debt contracts*

11. One of these circumstances is found in the book publishing industry. An individual is sometimes paid in advance to write a book manuscript. This is one of the highest-risk transactions in the business world. The best way to keep an author from finishing a manuscript is to pay him in advance. As a publisher, I learned this lesson after much experience.

12. I am reminded of the scene in the film *America, America* (1963), where the suspicious Greek buys passage on a ship to the United States. He holds out his money to the ticket salesman behind the counter, but he refuses to release his grip until the salesman places the ticket in his other hand. They let go simultaneously.

13. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 12.

14. This debt always involves common grace; sometimes it also involves special grace. North, *Dominion and Common Grace, op. cit*.

that threaten our continuing legal status as free men. It does not mean that we are to become hermits who separate ourselves from a division-of-labor economy. It surely does not mean that we are required to become household slaves. A Christian perfectionist, as a result of reading tracts against fractional reserve banking, once offered me the opportunity to hire him as a permanent indentured servant if I would agree to feed, clothe, and house him on a zero-cash basis. He recognized that Federal Reserve Notes and checking accounts are both money and debt instruments, and he wanted to be totally separated from any contact with either cash or checks. He felt too guilty to continue as a free man. He was willing to become a household slave to someone who was not equally concerned morally about using Federal Reserve Notes or checking accounts, and who would pay him in kind (i.e., goods). In short, he was willing to subordinate himself for life to someone whom he perceived as not being equally moral, so that he himself could live in technical moral purity. He wanted a protective boundary around him, and he was willing to give up his freedom to attain this. But this brought him into conflict with Paul's injunction to indentured servants to take freedom whenever it is offered (I Cor. 7:21). Problem: Who would want to employ such a guilt-ridden perfectionist? What productive services could he perform? Could anyone trust his promises? What would be his next paralysis-inducing interpretation?

Free men in Mosaic Israel were those who had not been sold into slavery to repay a debt. Free men had an inheritance in the land. This means that large debts today should be collateralized, e.g., a mortgage. A man can lose his home if he defaults on the mortgage, but he does not lose his freedom. The creditor reclaims the collateral rather than placing the debtor in bondage or selling him into bondage.

The restraining factor against the extension of too much credit by the stronger party is the employer's fear that the worker will either quit before his term of service ends or else not produce competent work. It is too expensive for the employer to sue the average worker for damages; court expenses plus his own time in court exceed the money owed. The economic judgment of the employer is the restraining factor. He suspects that he will not be repaid if he extends too much credit. Nevertheless, there is no biblical law that says that the employer must not extend credit in the form of wages paid in advance. He has to make the decision whether it is worth the risk to do this, given the organizational difficulties of making payments at the end of every work day.

This text specifies that the *worker* must not be asked to work for a week or two in order to receive his wage. There is always a risk of default by a debtor, whether he is the employer or the worker. This law specifies that the risk of default for this form of debt beyond one work day must be born by the employer, not by the worker.

The employer must not become a thief by withholding anyone's wages. By forcing the employer to make restitution to his employed workers who had seen their wages withheld, the law reduces the amount of oppression of those unseen by the judges: future workers who are too weak even to compete for the delayed-payment job.

D. Worker vs. Worker

There are some workers who might be willing to work for a period longer than a day before receiving their pay. In a modern capitalist economy, this procedure is accepted by all concerned, since it is the policy of employers to offer severance pay to dismissed workers.[15] The worker who plans to quit usually informs his employer of the fact that he will soon be leaving. The employer knows that the worker may become somewhat distracted in the final days of employment. The employer may decide to allow the worker to take his paid vacation at the end of his term of employment. So, the modern worker is paid by the employer for services not rendered when he leaves the job, not at the beginning of the term of employment. At the beginning of the contractual relationship, the modern worker renders services to the employer for which he is not paid at the end of the work day. This practice is what the Bible prohibits.

In a poor nation, which the whole world was until the nineteenth century, an offer to accept delayed payment would have given these capital-owning workers a big competitive advantage over destitute workers who needed payment immediately. This law establishes that competition among workers must not involve the employer's acceptance of such an offer by any worker. The biblical standard of payment is specified: payment at the end of the day. There may be payment in advance but not delayed payment.

Where this law is enforced, destitute workers in the community

15. There are also state-run compulsory programs of workers' compensation; any worker who is fired can receive payments from the state. Employers are required to pay taxes into these insurance funds. This is a morally corrupt system that penalizes employers who want to fire inefficient workers in order to improve customer service and/or increase profits that can be used to reward its investors. It also subsidizes unemployed workers to stay out of work until the benefits run out.

are not replaced in the labor force by less destitute workers who can afford to forego immediate payment. All workers are to be allowed to compete for jobs, irrespective of any worker's possession of reserves sufficient to tide him over until the next payday. So, one idea behind this law is to make job opportunities available to the destitute workers in the community. Everyone who is physically able to work is to be allowed to compete for a job on a basis independent of his asset reserves. *The destitute man's poverty is not to become the basis of his exclusion from the labor market*. His competitors are not allowed to use their ability to extend credit to an employer as a way to offset his only assets: his willingness and ability to work.

It should be clear that this law is far more applicable to a poor society than to a modern capitalist one. Very few people in a modern capitalist society are so poor that they cannot wait for a paycheck in two weeks. But the principle should still be honored. It is unfair for an employer to force workers to extend him credit as the price of getting that first job assignment. To do so is to offer the oppressing robber's option: "Your money or the job!" This law prohibits robbery and oppression: by the employer and also by the employer's implicit accomplice, i.e., the worker who can afford to accept a delayed-payment contract, thereby excluding the poorest workers from the labor market.

E. A Case of Theft and Non-Criminal Oppression

Whenever we analyze a voluntary contract from the point of view of the ethical question of "oppressor and oppressed," we need to ask the economic question: *Who wins and who loses*? Few moral analysts have had training in economic analysis. This is why they often miss the point. They incorrectly identify the oppressors and the oppressed.

This law prohibits two parties from profiting from delayed payment: the employer and the worker who possesses sufficient assets to survive a delay in payment. Why does the employer delay payment? One reason is that he is trying to avoid risk. He wants to be able to fire the worker without losing the value of the labor that the worker still owes him because of the money that he paid the worker in advance. God grants the employer the legal right to avoid this risk of default, but only if he pays wages daily. The employer may lawfully assess the worker's net productivity, work day by work day. If the worker is producing unacceptably low output, the employer does not have to hire him the next day. The worker's contract is good for only

one day or less, depending on what he agreed to in advance. The employer goes into debt to the worker: a day's wages. But whenever the employer seeks to retain the worker for a longer period than one work day, he must either pay the worker at the end of each work day or else extend payment in advance. The worker then goes into debt to the employer: a labor obligation.

1. The Weaker Party

The worker needs protection. An employer might hire him for a period and then dismiss him without pay. Jacob's complaint against Laban was that Laban had changed his wages repeatedly, meaning retroactively (Gen. 31:7). To protect the worker from this sort of oppression, God requires the employer to bear the risk of longer-term default. The employer bears the risk that the worker may turn out to be inefficient and will have to be fired before he has fulfilled his contract. The worker might even cheat the employer by walking off the job before his term of employment is over. That is the employer's problem. He can minimize this risk by paying workers at the end of each day. In doing so, he does not allow them to become indebted to him. If he chooses to have more infrequent pay periods, then he must bear the risk of paying people in advance who turn out to be poor workers.

There are workers who are willing and able to bear the risk that they will be cheated by an employer. They will accept delayed wage payments. If there were not such workers, this law would not be necessary. The employer could not rationally expect to be able to pass on this risk of hiring people to the people being hired unless he believed that there were workers who were willing to accept a delayed payment work contract. We know that such workers exist by the millions today. They have always existed.

This case law prohibits such an arrangement, whether initiated by an employer or a worker. The law specifies in advance exactly what each worker should expect: payment at the end of the work day. *This law discriminates against all those workers who are willing and able to compete against other workers by accepting delayed wages*. It is not simply a law against the oppression of destitute workers by employers; it is also a law against the indirect, non-criminal oppression of destitute workers by other workers.

2. The Weakest Party

It is not immediately apparent that this law deals with the oppression of the poor by the somewhat less poor. This law seems to have only the employer in mind as the agent of theft. But the employer cannot act alone in this act of theft. He needs accomplices, even if they are unaware of their economic status as accomplices. An employer who wants to discriminate against destitute workers in this way cannot do so without the voluntary cooperation of other workers. He cannot hire people to work without daily wage payments unless some workers are willing to work on these terms. The text identifies this practice as illegal, but it is not merely the oppression of those workers who voluntarily agree to accept the terms of the contract; it is also the oppression of those workers who cannot afford to offer their labor services on these terms. It is above all the oppression of those who are *excluded* from the employer's work force, not those who are included. But it requires some knowledge of basic economics to discover this fact. This law's protection of the destitute worker's ability to bid for jobs is implicit in the text, not explicit.

On what legal basis does this law apply to the free market? Why should a voluntary contract—delayed payment—be prohibited by civil law? What makes the practice of delaying payment judicially unique, and therefore legitimately subject to interference by the civil government?

3. The Priestly Factor

It is the vulnerability of the weakest seller of labor that makes this law necessary. God imposes this law because of what I call the priestly factor in free market pricing. This factor is seldom if ever discussed by free market economists. When human life is at stake—beyond the modern economic principle of marginalism—unrestricted free market competition is in some instances not morally valid. All real-world societies recognize this fact, but free market economists rarely do, since they are committed to a supposedly value-free (ethically neutral) analysis.

Here is an example of priestly pricing: a physician who bargains sharply with a seriously injured man at the scene of an accident. He cannot lawfully charge "all the traffic will bear"[16] under such conditions. He is not allowed to charge significantly more than what is

16. The phrase is from Frank Norris' anti-capitalistic novel, *The Octopus* (1901). The phrase was uttered by the book's villain, railroad agent S. Behrman.

customary for treating that kind of injury in cases where the patient can be taken to any of several emergency treatment facilities. If he does drastically overcharge the victim, a civil court will not enforce the contract. The medical profession has ethical rules against such uninhibited pricing practices. Most people, unlike trained economists, have at least a vague understanding that human life, like eternal salvation, is not to be sold to a dying man on the basis of the free market's familiar auction principle of "high bid wins" unless there is sufficient time for the injured person to seek a second opinion and negotiate a second price quote.[17]

The law against delaying the payment of wages is an application of the ethics of priestly pricing. A destitute worker is not to be excluded from any labor market by an employer's policy of delaying payment. Delayed payment is a policy of excluding workers.

Why would an employer want to exclude workers from bidding for a job, i.e., lowering his labor costs? Normally, he would not want to exclude them, but it takes considerable familiarity with economics to understand why this policy discriminates against destitute workers. This law prohibits such a practice. God expects men to obey His law even when they do not understand all of its ramifications. Obedience is primary, not intellectual understanding. Men are to show good faith to God by obeying God's law as best they can, so that He will reward them. One of these rewards is greater understanding, thereby enabling men to obey God even better.

F. Competition: Discrimination = Exclusion

This law does not prohibit other forms of competition among workers. It prohibits only this one, which reflects the character of God in

17. Priestly pricing is based on ability to pay, e.g., the tithe. Economists call this practice price discrimination: one monetary price charged to members of one group; another price charged to members of a different group. The economist's standard explanation for this phenomenon is that there are government-imposed barriers to entry, e.g., licensing. The classic presentation of this view is Reuben A. Kessel, "Price Discrimination in Medicine," *Journal of Law and Economics*, I (Oct. 1958). I wrote to Kessel in the mid-1970s and suggested the priestly role of physicians as another factor in price discrimination. He wrote back politely and said this had never occurred to him. He did not say that he thought I had discovered anything significant. A legitimate question is this one: Why do civil governments create such barriers to entry? The political self-interest of the legislators is not the only possible explanation. Legislators and judges seem to recognize the priestly role of physicians. They understand that some kinds of voluntary but life-and-death contracts are not enforceable in the courts, and should not be.

his gracious dealings with men in history. There is no law in the Bible against one worker's willingness and ability to offer to work for less per day or less per hour than another worker presently does. Any offer to serve another person on terms that are better for him than the terms presently being offered is an offer to *discriminate*, which is an act of *exclusion*. The offer discriminates against the person who has previously benefitted from the arrangement under the existing terms. The legal right[18] to make a better offer is inherent in the biblical requirement that we become more profitable servants.

1. The Economics of Persuasion

We never know all of the available alternatives in life. We learn about better ways of achieving our goals through better offers that are made to us. We frequently need to be persuaded to do the wise thing. Wisdom is not automatic. Neither is accurate knowledge automatically acted upon.[19] This is an epistemological application of Paul's ethical principle that knowing the good is not the same as doing it: "For the good that I would I do not: but the evil which I would not, that I do" (Rom. 7:19). This is why advertising must be persuasive; in fact, persuasiveness is more important for successful advertising than conveying technically accurate information.[20]

There is market competition for accurate information and also for effective persuasion (i.e., motivation). Neither information nor persuasion is a free good. Both parties to a voluntary transaction are buyers of both information and persuasion. While we do not normally think of persuasion as something that buyers purchase, it must be purchased. We reward those specialists in motivational advertising who provide the techniques of persuasion by buying whatever it is they are selling. Professional advertisers pay for specialized courses on how to become more persuasive. Customers take specific action when they are persuaded to buy. Advertisers therefore respond accordingly. They adopt techniques of persuasion—what scholars have for millennia called *rhetoric*. Persuasion is not a free good. Customers voluntarily pay for it. They want persuasion. They will not buy without it. If the would buy without it, advertisers would cease providing it.

The structure of competition for both information and persuasion

18. By "right," I mean "immunity from legal challenge."

19. Israel M. Kirzner, *Perception, Opportunity, and Profit: Studies in the Theory of Entrepreneurship* (Chicago: University of Chicago Press, 1979), ch. 9.

20. Israel M. Kirzner, *Competition and Entrepreneurship* (Chicago: University of Chicago Press, 1973), pp. 159–80.

is no different from any other form of market competition: *buyers vs. buyers* and *sellers vs. sellers*. A person who thinks that he can sell me an alternative approach to solving my problem comes to me and says, in effect: "Include me in your production process. Exclude someone else. I have discovered a better way." *The offer to include him is inevitably an offer to exclude his competitors*. There can be no possibility of inclusion inside a boundary without the possibility of exclusion; otherwise, there would be no boundary.

2. Competition Without Oppression

This should alert us to a biblical fact of economic life: *economic oppression* is in fact a form of *discrimination*. Economic oppression can also be used as a means of *competition*. Most forms of discrimination are morally valid and legal. Therefore, so are most forms of competition. This case is an exception. Why does God prohibit this form of competition among workers? I think it must be the *all-or-nothing* aspect of this form of competition. An excluded worker may be too destitute to survive as a free man without pay. He is at the bottom of the barrel financially. He might be able to work for a bit less money per day, but he cannot afford to work for nothing for several days or weeks. He is in a desperate situation, so God intervenes and gives him what he needs to compete: *time*. His skills are not to be removed permanently from the marketplace just because he is too destitute to accept a job that delays payment for work completed beyond one work day.

The Bible correctly assumes that the employer is in a stronger bargaining position than the destitute employee in the community. God's law therefore places limits on the time that the employer can withhold the wages of the employee. It says specifically that withholding wages beyond the end of the work day constitutes oppression. God establishes this formal standard, and Christians should acknowledge its existence and obey it. *There are biblical judicial limits on voluntarism*.[21] No employment contract contrary to this law is legal in God's eyes. The civil laws of every nation should prohibit such delays in the payment of wages.

21. This fact does not constitute a legitimizing of an open-ended socialism, including some modernized version of medieval guild socialism. Biblical law, not socialist slogans, is the source of our knowledge of such limits on voluntary exchange.

G. Bargainers: Strong, Weak, and Weakest

Because so few people are trained to think economically, they do not perceive the "things hidden": in this case, the identification of the primary victim and the primary beneficiary of this prohibited labor contract. We need to think through the effects of such a contract by means of "Levitical" reasoning, eaning *boundary* reasoning: inclusion and exclusion. The traditional pair of questions posed by economists—"Who wins?" and "Who loses?"—becomes: "Who is included?" and "Who is excluded?"

In the absence of this law, there is an implied threat to the potential worker who is unwilling or unable to extend this credit. If he refuses to extend credit to the employer, he will not get the job. This is a major threat. By contrast, the employer suffers very little by paying wages in advance. He loses a small interest return on his money. This interest *presumably* is not worth a great deal to him, especially if he is a small-scale employer, which most employers in history are.

Why only *presumably*? Because of an inescapable epistemological limit on economic science. Technically, the economist cannot make interpersonal comparisons of subjective utility, so he cannot say scientifically that the employer's gain is psychologically smaller than the worker's loss. The psychological loss or gain of the two individuals cannot be computed. There is no scientific way to measure the psychological loss to the worker of forfeiting the interest by extending credit, nor is there a way to compute the psychological loss to the employer if he is required by law to forfeit the interest by extending credit.[22] It is not necessary for us to make such a numerical computation; we can still identify the primary victim and the primary beneficiary whenever this law is violated.

We need to consider three parties in our economic analysis: the employer, the employed worker, and the excluded worker. The text does not speak of the excluded worker, nor is the average Bible commentator likely to consider him, but he is crucial to the analysis. A less destitute worker may decide to accept the terms of employment: delayed payment. A destitute worker cannot afford to accept it. The excluded worker becomes the primary victim of a delayed-wages con-

22. On the question of interpersonal comparisons of subjective utility, see Appendix A, section on "Value Theory at an Epistemological Impasse." See also Appendix B. See also North, *Sovereignty and Dominion,* ch. *5*. Cf. Gary North, *The Coase Theorem: A Study in Epistemology* (Tyler, Texas: Institute for Christian Economics, 1992).

tract. He cannot afford to take the job. The less destitute worker takes the job. He would of course rather be paid early, but his willingness to accept delayed payment is a form of competition on his part that gives him an advantage over very poor people in the community. The Bible calls this form of competition *oppression*.

The primary economic beneficiary of this form of oppression is not the employer, for whom the interest gained by delaying payment is minimal, but rather the worker who can afford to have his wages delayed, and who therefore gets the job. He excludes his competition through oppression. *The employer here acts as the economic agent of the employed worker*. This representational relationship is not readily understood. No one without economic training will blame the employed worker for the unemployment of the destitute worker. If anyone is blamed, it will be the employer. The employer *is* to blame, judicially speaking: he imposes the illegal terms of employment: robbery, a form of oppression. God's law designates the employer as the initiator of an evil contract, and hence *judicially liable*, as we shall see. The fact remains, however, that the worker who takes the job on these terms becomes the agent of economic oppression, while the excluded worker is the primary economic victim.[23] The person who appears to be the victim—the worker who takes the job—is in fact the primary economic beneficiary of this labor contract. He obtains what both of the competing workers needed: the job.

H. What Did the Employer Steal?

The appropriate civil sanction is not specified, as is also the case in other laws governing oppression. But in most other cases, the absence of any civil sanction points to the absence of civil jurisdiction because of excessive limits on the judges' knowledge. Not so in this instance. Restitution in this case is technically possible to compute. If victims prosecute and the courts convict, the practice will disappear from public view.

The primary judicial question is: How much does the convicted employer owe the victim? Answer: the victim's costs of prosecution plus the restitution penalty.[24] There are two approaches to establish-

23. One more time: the employer gains a small interest return and a small risk-avoidance return. The worker gains the promise of a wage, bears some risk of not being paid, and forfeits a small interest payment. The excluded worker, too poor to accept the contract, gains nothing.

24. If the victim's court costs are not paid by the convicted criminal, very few victims will be able to sue, so the practice of discrimination will not be reduced.

ing what restitution payment is owed by the employer: (1) by considering the forfeited interest; (2) by considering the forfeited daily wage. I believe the second approach is valid. We must examine the first approach in detail in order to see why it is not valid. The key question that we need to answer is this: What constitutes the thing stolen? Is it the interest or the wage?

1. Interest

A withheld wage requires a worker to extend credit to his employer. For a week or two, or perhaps even a month, the worker has extended credit, day by day, to the person employing him. The employee has therefore forfeited the interest that he might have earned day by day, had he been able to put this money in the bank rather than spending it on necessities. It is obvious that the interest payments foregone would not be very much money; nevertheless, it is possible to compute what double restitution of that forfeited interest would be. However, only a very skilled person could have made this computation prior to the widespread knowledge of mathematics. For example, consider how difficult this would be apart from the use of the zero (a decimal point followed by a zero is needed to compute percentages under 10%), which came to the medieval West only through contact with Islam. The Arabs in turn learned of it in India. There is no evidence that the zero was known to any culture prior to the ninth century, A.D.—the West's era of Charlemagne. (The Mayans and the Indians discovered it independently or else were in contact with each other). The average employer could not have computed this payment easily in Moses' time, let alone the average employee.

The cost to the worker of this forfeited interest would be higher to him than the cost to the employer. I am speaking here of the actual rate of interest, not subjective cost. The worker has to forfeit goods that the wages would have bought in the interim. There is no doubt that a modern worker can borrow the money to buy these goods, repaying the loan at the end of the working period. (Prior to World War I, small consumer loans from banks were unavailable to workers.) The difficulty is, a worker is not in a position to borrow money at the same low rate of interest that the employer can obtain. The poverty-stricken worker is a high-risk borrower. He can easily be trapped in a cycle of debt. When this law is honored, an employer has greater difficulty in forcing the employee into debt servitude.

Computing the forfeited interest would be difficult even today.

In Moses' day, it would have been very difficult. How many judges would have been able to establish this implied forfeited payment? Not many. So, we must look for a better solution. We must turn from the concept of forfeited interest to the concept of forfeited wages.

2. Wages

It is not implied in the text that double restitution of the forfeited interest should be paid, since this is not what is specified as the thing stolen. In fact, the text does not specify the thing stolen. What *is* identified in the text as an act of theft is the refusal of the employer to pay the agreed-upon wages in a timely manner. We conclude that *the withheld wage is the thing stolen*. Thus, a civil judge can rightfully impose a much higher penalty on the employer than double the employer's forfeited interest. The thief would not simply pay double restitution on the forfeited interest; he would pay double restitution on any wages unpaid at the end of each work day.

Why so high a penalty? After all, the worker forfeited only the interest that his money might have earned. Why impose double restitution based on the entire daily wage multiplied by the number of days of delayed payment? Because God's law defines the act as *theft*.

The act is also a form of oppression, but the oppressor here is the worker who accepts the contract. He is not identified as a thief. He is not subject to criminal charges by the invisible excluded workers who cannot afford to wait to be paid.

We need to examine the employer's motivation. If his primary goal is not to earn a little extra interest be delaying wages, then what is it? Most employers adopt a policy of delaying wages today because their rivals do. This policy is almost universal in modern advanced economies. Employers give little or no thought to the practice. For that matter, neither do most employees. But what if employers did give thought to it? What would their primary motivation likely be?

I. The Limits of Economic Knowledge

A Marxist—an endangered species these days—would probably argue that the employer's goal is to place local workers in a totally dependent position. The poorer these workers are, the more desperate their economic condition is likely to be. The more desperate their economic condition, the cheaper they will be willing to work. If the employer can maintain what Karl Marx once called the industrial re-

serve army,[25] i.e., the unemployed, he can force down local wages. His theft is therefore deliberate. One problem with this line of reasoning is that it assumes that the employer understands a complex chain of economic reasoning. He probably doesn't. Another problem is that employers like to have lots of qualified workers competing against each other.

The key word here is *qualified*. As a former employer, I believe that the typical employer is trying to minimize his risk when he hires competent workers rather than substandard workers. He delays payment because he wants to see each new worker prove himself before getting paid. This delay in payment pressures workers with little capital to quit early or never even apply for the job. *The practice of delaying wages is therefore primarily a screening device*. It favors workers who have capital in reserve. These capital reserves serve the employer as a substitute for other screening techniques. The employer's economic problem is the his lack of knowledge about the competence of the new worker. *The employer uses a delayed payment scheme in order to minimize his search costs in estimating the competence of new workers*. Accurate knowledge is not a zero-price resource. Employers try to obtain such knowledge as cheaply as possible. They use the new worker's willingness to accept delayed payments as a cost-effective substitute for more detailed information regarding the worker's abilities and his willingness to work.

J. The Limits of Judicial Knowledge

Here we have a situation where the law seems unjust. I have argued that the primary economic beneficiary of delayed payments is the worker who can afford to extend the credit and therefore gets the job. I have identified the primary economic victim as the excluded destitute worker. Yet the law identifies the employer as the oppressor-robber, and the only way for a judge to impose negative sanctions is for him to require the employer to pay the employee. In other words, the *judicial* victim is not the primary *economic* victim.

Why does God give the employee a lawful claim against the employer? Because this worker is the only *judicially visible victim*. He is a weak bargainer when compared to the employer. He is stronger than the destitute excluded workers, but he is still weak compared to the employer. This law is meant to protect the weak from the strong. It protects the weakest party only indirectly: by threatening the em-

25. Karl Marx, *Capital: A Critique of Political Economy* (1867), XXV:3 (New York: Modern Library, [1906] n.d.), pp. 689–703.

ployer with penalties for robbing the weaker. Judges are not omniscient; they cannot identify the weakest workers, i.e., those who never even bothered to apply for the job because of their lack of capital. Judges provide protection to the weakest workers only indirectly.

The judicial problem is this: How can the judges identify the actual victims of this form of discrimination? The primary economic victim of a delayed-wage contract was the excluded worker who could not afford to take the job. He has been oppressed by the worker who took the job on the illegal terms. Exactly which workers were the excluded ones? That is to say, which workers would have gained employment had the delayed-payment system not been in force? This is virtually impossible for civil judges to determine. Knowing the harsh terms of employment, some destitute workers may not have bothered to apply. Any seemingly destitute worker might later complain to the civil authorities that he had never bothered to apply for the job because of the delayed payment feature.

So, by what means can such a law be enforced while still maintaining justice? How can legitimate, predictable sanctions be imposed? What, if anything, should be done to indemnify the primary victim? This is why economic oppression is rarely a crime. The civil magistrate cannot specify the illegal criteria, the victims, or the appropriate restitution.

There is another issue. How can a restitution payment to the employed worker help a destitute worker who was too poor to accept the terms of employment in the first place? The judge does not restore anything to him. Nevertheless, the penalty does help the excluded worker: not as a payment to compensate him for *past* oppression, but as a threat against *future* oppression.

This law reduces future injustice to the weakest members of the work force by forcing the oppressing employer to pay the visible victim—the worker whose wages were withheld—instead of paying the invisible victims whose claims cannot be precisely identified or resolved judicially. The agent of oppression, namely, the worker who took the job, is rewarded by the court, not for being an oppressor (which he was) but because he was the victim of a criminal act.

K. Protecting the Weakest Party

First, there is no active assault. There is only a refusal to pay. Second, the weakest worker is the unemployed person who cannot afford to live without wages. He is being oppressed by both the employer

and his employee. Judicially, it is not possible for a court to identify the specific worker who would have taken the job had the employer paid in advance. Therefore, in order to remove this form of indirect oppression from society, God grants to the weaker worker—the employed worker, who himself is an oppressor (though probably unknowingly)—the authority to press a covenant lawsuit in the courts on his own behalf.

A small portion of the wealth of the weak worker had been transferred to the employer. This wealth transfer can be calculated for purposes of judicial restitution. Because the defrauded worker presses charges, the weakest worker is indirectly protected. The weaker worker, acting on his own behalf judicially and economically, acts as an economic agent for the weakest workers. He probably does not perceive that he is in fact acting as the economic agent of his competition. A more economically sophisticated worker would probably not press charges against his employer, since the delayed payment system excludes his competition, but there are never very many economically sophisticated workers (or anyone else, for that matter). Some workers will press charges, so the oppressive practice will be reduced.

The courts can take action only when someone brings a lawsuit against a perceived law-breaker. This could be a rival employer. The weakest victims cannot act on their own behalf in these two types of cases. The excluded worker cannot prove that he was a victim. Similarly, the victimized blind or deaf person cannot prove that the crime took place. A biblical court system requires an agent to bring a lawsuit against the law-breaker. These case laws provide the necessary incentives for agents to bring these lawsuits.

There is another way for workers with capital to compete. They can offer to work for free for a period as apprentices. Then, when they have proven themselves reliable, the employer can begin to pay them. This is a legitimate strategy. Their donated time remains donated. They bear the risk of not getting hired. They do not place the employer in their debt. But employers cannot legally make compulsory such free service as a condition of employment. The offer is at the discretion of the worker. There must be an element of apprenticeship risk in order to legitimize this offer. The employer is under no obligation to hire the worker.

Conclusion

This case law deals with theft from economically weak workers and also indirect economic oppression of the most impoverished workers in the community. The most impoverished workers are those who cannot afford to extend credit to their employer. They need to be paid at the end of the work day. The employer is required to do this or else pay them in advance for a longer term of service.

This law proves that Mosaic Israel was not a debt-free society. There were creditors and debtors. A legitimate biblical goal is to reduce long-term debt, but God's civil law does not mandate absolutely debt-free living. Debt is basic to society, for society implies a division of labor. Debt will exist in a division of labor economy until such time as an economically efficient means of making moment-by-moment wage payments becomes universal.

The employer who delays payment to his workers is defrauding them. But to do this, he is inescapably providing an opportunity for some workers to oppress their competitors. The worker who can afford to work without pay for a period is given an opportunity by the employer to steal a job away from a worker so poverty-stricken that he cannot survive without payment at the end of the day. This form of competition is illegitimate, this passage says ("fraud, robbery"). It is unfair competition. God's civil law makes it illegal for an employer to act as the economic agent of any employee against a destitute competitor. There are very few cases of unfair competition specified in the Bible, but this is one of them.

This passage is not a biblical injunction for the state to become a welfare agent: a dispenser of positive sanctions. The delay of payment overnight is described in Leviticus 19:13 as robbery: a crime. A judge can impose a restitution penalty on the perpetrator. There is also a hidden element of oppression: the excluded workers.

To become subject to civil law, oppression must be identifiable as a criminal offense. There must be definable criteria that make the act a crime. The indirectly oppressed, excluded worker is not the victim of a crime. Ironically, the one who has oppressed him, the employed worker, is the victim of a crime: delayed payment. Even more ironically, if the oppressor brings a lawsuit against his assailant, the employer, he thereby makes it less likely that he and his employer will be able to oppress the weakest party: the excluded worker. This is why I think the excluded worker or the state acting on his behalf can bring a lawsuit against the employer to have the practice stopped. But he

must not be awarded restitution. He cannot prove he was uniquely harmed, thereby excluding all other potential claimants.

The oppressive character of the contract should be recognized by the judges, and no legislation should ever be passed that imitates the "delayed payment" contract, with its exclusionary side effects.

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GLEANING: CHARITABLE INEFFICIENCY

> *When thou cuttest down thine harvest in thy field, and hast forgot a sheaf in the field, thou shalt not go again to fetch it: it shall be for the stranger, for the fatherless, and for the widow: that the* Lord *thy God may bless thee in all the work of thine hands. When thou beatest thine olive tree, thou shalt not go over the boughs again: it shall be for the stranger, for the fatherless, and for the widow. When thou gatherest the grapes of thy vineyard, thou shalt not glean it afterward: it shall be for the stranger, for the fatherless, and for the widow. And thou shalt remember that thou wast a bondman in the land of Egypt: therefore I command thee to do this thing.*
>
> DEUTERONOMY 24:19–22

The theocentric principle undergirding this law is this: God shows grace by allowing mankind access to the fruit of God's field, i.e., His creation. God allows mankind inside the boundaries of His field. A fallen man is in the same judicial position as a poverty-stricken, landless Israelite or stranger was under the Mosaic economy. God does not exclude eternally cursed men from access to the means of life in history. Neither were land owners in post-conquest Mosaic Israel to exclude the economically poor and judicially excluded residents of the land. A fallen man is always a gleaner.[1] He comes into God's field as a petitioner. He is never the original owner. Ownership is therefore a form of stewardship. It is *vertical*: God > man > nature. It is also *horizontal*: owners representing other men (customers).

A. Ownership and Stewardship

God is the original land owner who sought to make the Promised Land's blessings available to every able-bodied worker who was will-

1. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), ch. 11:M.

ing to go into the fields at the time of the harvest. This was an aspect of the dominion covenant: man as God's steward who participates in the subduing of the earth (Gen. 1:26–28).[2] Those people who were without either land or tools in Mosaic Israel nevertheless had an obligation to work. Because the Mosaic law assigned rural land to families that were heirs of the conquest generation, this case law opened up otherwise closed fields. The gleaners could not inherit these fields,[3] but they had a moral claim on a portion of the leftovers. This was both a land law and a seed law.[4]

This passage expands on the gleaning laws of Leviticus: "And when ye reap the harvest of your land, thou shalt not wholly reap the corners of thy field, neither shalt thou gather the gleanings of thy harvest. And thou shalt not glean thy vineyard, neither shalt thou gather every grape of thy vineyard; thou shalt leave them for the poor and stranger: I am the LORD your God" (Lev. 19:9–10).[5] "And when ye reap the harvest of your land, thou shalt not make clean riddance of the corners of thy field when thou reapest, neither shalt thou gather any gleaning of thy harvest: thou shalt leave them unto the poor, and to the stranger: I am the LORD your God" (Lev. 23:22).[6] It identifies the three classes of vulnerable residents: widows, orphans, and strangers. It refers to Israel's years as a slave in Egypt. It offers positive sanction: "that the LORD thy God may bless thee in all the work of thine hands." The negative sanction of bondage is contrasted with the positive sanction of God's blessings.

1. Gleaning as a Model

I have already covered gleaning in chapter 11 of *Leviticus: An Economic Commentary*. I am not reproducing that chapter here. Deuteronomy 24:19–22 identifies society's poor more specifically: stranger, orphan, and widow. It also adds a reason: Israel's time of bondage in Egypt. God had delivered Israel from this bondage. Israelite land owners were to offer similar deliverance to the poor.

Gleaning was a form of morally compulsory charity. It remains the primary *moral* model for biblical charity, but, as I hope to show,

2. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, 2012), chaps. 3, 4.

3. Conceivably, some poor gleaner might be the long-term heir of the property who had temporarily lost possession of his field.

4. On land laws and seed laws, see Appendix J.

5. North, *Boundaries and Dominion* , ch. 11.

6. *Ibid*., ch. 22.

it is not a *literal* model for modern charity. *In a non-agricultural society, gleaning cannot become a literal model for charity*. Morally, however, gleaning is to be our guideline for charity: those in the community who have been called in the West "the deserving poor" (charity-deserving) to be allowed to do hard work in order to support themselves and improve their condition. God expects the more successful members of a community to provide economic opportunities for such willing laborers—opportunities for service.

As with every biblical law, this law was ultimately theocentric. The beneficiaries of this law were God's representatives in history, just as victims of crimes are representatives of God. Crime is primarily an assault on God by means of a crime against man, who is made in God's image. Crime is man's attempt to bring unlawful negative sanctions against God by bringing them against one of His representatives. Charity is analogous to crime in this respect, but with this difference: the sanctions are both lawful and positive. What a person does to the poor is counted as if he did it to Jesus (Matt. 25:32–40).

2. Inefficiency: Yes and No

The stated goal of modern economic science is to explain men's actions in terms of the principle of income maximization, i.e., sanctions: profit and loss. For a given expenditure of scarce economic resources, how can a person maximize his personal return, however he defines "return"? Put another way, how can he avoid wasting valuable resources? How can he exchange his present circumstances for better circumstances in the future without surrendering ownership of benefits that need not be surrendered?

The farmer was warned by Moses not to seek to maximize his total return on his agricultural investment. He was not to go back to pick up the forgotten sheaf, or go through his olive orchard, beating the trees a second time, or glean the vineyard a second time. The three examples in the text apply to the raw materials for producing *bread, wine, and oil*. These were the vegetable sacrifices required by God (Lev. 2:4; 23:13). They were the best produce of a man's field. *They served here as representatives of all agricultural production*. Moses told owners of these crops that they should leave behind some small percentage, so that gleaners could harvest them. This meant that the Mosaic law transferred *partial ownership* of these unharvested crops to those who did not own the land and had not made the investments necessary to produce them.

By the standards of modern economics, God was commanding land owners to be wasteful. He commanded them to leave behind for others a small portion of the fruits of their investment. He was saying clearly that members of three defenseless groups—strangers, widows, and orphans—had a moral claim on a small portion of the output of the land.[7] They did not have a legal claim, but they had a moral claim. Here, the Bible's supreme example is Ruth, who was both a stranger and a widow. Boaz let her glean in his fields (Ruth 2).[8]

This was an inefficient way to harvest crops. God was saying that it was an efficient way to *harvest souls*. Poverty-stricken people who gained access to the post-harvest fields would recognize in the land owner a willingness to forfeit a portion of his income for the sake of God's law, which recognized the plight of the righteous poor. Word would get out among the poor: here was a man to be imitated. Down the ladder of wealth, from the richest to the poorest, the goal was to provide a boost out of poverty to the people on the rung below. But in the case of the land owner, he was required by God to reach down two rungs and provide a poor person with a way to climb out of poverty. Sometimes poverty is well deserved. Sometimes it isn't. The goal of this Mosaic law was to pressure the land owner to identify the righteous poor in his community and provide both income and work experience for them.

An efficient man plans for the future. He counts the future costs of his present actions. A poor man is rarely an efficient man. He is too worried about his next meal to plan ahead very far. He is present-oriented. This law announced to the poor man: "If you are willing to work hard, you will not have to worry about where your next meal is coming from. You will then be able to plan ahead more easily." A man who was present-oriented because of an ethical failure would probably remain poor. In contrast, a future-oriented man whose time horizons had been shortened because of his poverty was given a way to rise in his class position. Class position is based more on time-perspective than money. The present-oriented man is lower class.[9]

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7. In chapter 35, on the tithes of celebration, I identified these three groups as judicially undefended. This was because a fourth group, the Levites, were included in the list. The Levites were not necessarily poor. In this law, however, the Levites are not mentioned. Thus, I regard the classification here as economic rather than judicial.

8. Gary North, *Disobedience and Defeat: An Economic Commentary on the Historical Books* (Dallas, Georgia: point Five Press, 2012), ch. 9.

9. Edward C. Banfield, *The Unheavenly City: The Nature and Future of Our Urban Crisis* (Boston: Little, Brown, 1970), pp. 53–59.

B. Sanctions

The motivation for obedience rested on a cause-and-effect system of sanctions. In this case, the motivating sanction was supernaturally based, historically manifested, and positive: "that the LORD thy God may bless thee in all the work of thine hands" (v. 19). There was also an implied negative sanction: "And thou shalt remember that thou wast a bondman in the land of Egypt: therefore I command thee to do this thing" (v. 22). *The oppression of Israel in Egypt was the Mosaic model for oppression*. The unstated implication of this passage is that Israel's deliverance from Egypt is the model of God's corporate judgment in history. As God's firstborn son (Ex. 4:22), Israel had gained the inheritance of the Egypt's disinherited firstborn sons, who had died at Passover. The message: *the oppressed will eventually inherit in history*. To maintain the inheritance, a person or a nation must not become an oppressor.

This is a continuing theme in Deuteronomy: *the* ***ethically conditional*** *nature of the inheritance*. Without righteousness, Israel's inheritance could not be permanently maintained. *This is one of the crucial themes of the Bible*. It undergirds inheritance by the New Covenant church: "Therefore say I unto you, The kingdom of God shall be taken from you, and given to a nation bringing forth the fruits thereof" (Matt. 21:43). The church inherited the kingdom because Israel did not remain obedient. The context of Jesus' announcement of Israel's coming disinheritance was His parable of the unjust stewards who refused to pay what they owed the land owner. He lured the chief priests and the elders into condemning themselves in public for disobeying God: "They say unto him, He will miserably destroy those wicked men, and will let out his vineyard unto other husbandmen, which shall render him the fruits in their seasons" (Matt. 21:41).[10]

Despite Jesus' confirmation of the Mosaic covenant's system of sanctions, *Christians have ignored or downplayed this theme of historical inheritance and disinheritance*. This is evidence of widespread antinomianism: hostility to biblical law and its mandated civil sanctions. Christians have asserted that the Mosaic law and its sanctions, both civil and historical, have been completely annulled by the New Covenant. This has led them to a dismal conclusion: there will be no unique cultural inheritance by Christians in church history; consequently, there will be no disinheritance of God's enemies. The meek will not inherit the earth. Jesus really did not teach Christians to expect such an in-

10. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 43.

heritance, we are told. With respect to a future worldwide cultural inheritance by covenant-keepers, perhaps He was speaking about the millennial "Jewish church" (dispensationalism's view). Or maybe He was speaking allegorically about eternity (amillennialism's view). But He could not possibly have meant that the covenantal heirs of those who are meek before God will exercise dominion in history. Such a "triumphalist" outlook rests on faith in a system of predictable, corporate, historical, *covenantal* cause and effect, which in turn rests on a revelational moral and legal order. In short, *such an outlook rests on theonomy*. This outlook is not acceptable to modern Christianity.

C. A Lawful Claim: Moral or Legal?

God announced that the poor people and resident aliens in Israel were to be invited in by the land owner so that they could harvest the corners of the field and the fallen grain. This meant that, as a class, they had a moral claim on the "droppings" of production. This also meant that they had no legal claim on the primary sources of income of an agricultural community. They were *invited* in. There was no state-financed welfare in Israel.

It would have been difficult for a judge or a jury to identify which individuals in the community had a legal right, as victims of his refusal to honor the gleaning laws, to bring charges against the land owner. The text specifies no negative institutional sanction that had to be imposed on a land owner who refused to honor the gleaning laws. God is indirectly revealed as the agent who would bring negative sanctions against an individual land owner who refused to honor the gleaning laws. The state was therefore not authorized by the text to bring these sanctions against individuals on behalf of God. The sanctions were individual rather than corporate. *Without the threat of God's negative sanctions against the entire covenanted community, there was no justification for civil sanctions*. Civil sanctions were imposed in Israel in order to substitute the state's subordinate wrath for God's more direct wrath against the community. Furthermore, in case of a violation of the gleaning law, there would have been no easy way to determine legitimate restitution. *Where there are no civil sanctions, there is no crime*. To violate this law was a sin, not a crime. God would curse the owner directly, but the society was not at risk. Thus, civil sanctions were inappropriate.[11]

11. See my discussion in *Boundaries and Dominion*, ch. 11:B .

This law applied only to agriculture: field and vineyard. Field and vineyard are the sources of bread and wine: Melchizedek's meal for Abram (Gen. 14:18) and also the Lord's Supper.[12]

D. Who Paid, Who Benefitted?

What was the economics of the gleaning law? In a sense, the requirement that the land owner and professional harvesters leave behind a small portion of the crop for the gleaners made this portion analogous to the manna that God had supplied to the Israelites during the wilderness wandering. This miraculous though predictable food was a pure gift of God. Similarly, both the produce of the land and God's grace in establishing the requirement that the land owners and harvesters share with the gleaners were signs of God's continuing grace to the poor. The gleaners were visibly dependent on God's grace for their survival. This had also been the case for the nation in the wilderness. This law was mandatory to economic hierarchy.

Gleaning laws were exclusively agricultural laws. God commanded the harvesters of the field and the vineyard to be wasteful—wasteful in terms of their personal goals, but efficient in terms of God's goals. They were to leave behind part of the produce of both the vineyard and the grain field for gathering by the poor.

This law indicates that *the leftovers of the Promised Land belonged to God*. God transferred the ownership of these high harvesting cost assets from the land owner and the harvester to the poor and the stranger. The owner in one sense did benefit, at least those owners who paid their field hands wages rather than by the supply harvested, i.e., piece-rate payment. The obedient owner did not pay salaried harvesters to collect marginal pickings. This lowered his labor cost per harvested unit of crop. But the net income loss as a result of gleaning did lower his total return from his land and planting expenses. There is no doubt that this economic loss of net revenue constituted a form of compulsory charity. It was a *mandated positive sanction*. This should alert us to the fact that this law was *not* a civil law. It was rather a church-enforced law. The church, not the state, is to bring positive sanctions in history. The church, not the state, offers Holy Communion. This distinction is representative of the differing functions of the two institutions.

The gleaning law was also to some extent an advantage to the piece-rate harvester. He was able to achieve greater output per unit

12. *Ibid.*, ch. 11:C.

of time invested. He was not expected to spend time gathering the marginal left overs of the crop. *Marginal* returns on his labor invested were higher than they would have been had it not been for this law. Nevertheless, both the owner of the land and the piece-rate harvesters did suffer a reduction of *total* income because of this law. The harvesters saved time but gathered less. They did suffer a reduction of income compared to what they would have earned apart from this law.

How did piece-rate harvesters suffer a reduction of total income? Because they could not lawfully gather the total crop of the field or the vineyard. Each worker had to leave some produce behind, which means that his income suffered. This also means that the poor of the community were in part funded by the *slightly less poor*: the piece-rate harvesters. The harvesters were reminded of the burdens of poverty. This in effect became an *unemployment insurance* program for the harvesters. They knew that if they later fell into poverty, they would probably be allowed to participate as gleaners. They forfeited some income in the present, but they did so in the knowledge that in a future crisis, they would be able to gain income from gleaning. Both the land owner and the piece-rate worker financed a portion of this morally compulsory insurance program.

The law placed a burden on the land owner. Yet this burden was in fact a form of liberation *if* he acknowledged the covenantal nature of the expenditure. It was analogous to the tithe. By honoring it, he was acknowledging God's sovereign ownership of his land. This act of sharing placed him visibly in the service of the great King. That King was his protector, for he was a vassal. As with rest on the sabbath, the owner could rest confidently in the knowledge that the King would defend his interests as a vassal if he abided by the terms of the King's treaty.

There was another benefit to the faithful owner, according to Aaron Wildavsky, an expert on the history of taxation.[13] He was also a careful student of the Mosaic law. He wrote of the gleaning law that "Compulsiveness easily converts to fanaticism. The farmer who harvests not 99 percent of his crop but every last little bit becomes consumed by his compulsion. Soon enough excess—getting it all—becomes an overwhelming passion."[14] He identified fanaticism as

13. Carolyn Webber and Aaron Wildavsky, *A History of Taxation and Expenditure in the Western World* (New York: Simon & Schuster, 1986).

14. Aaron Wildavsky, *The Nursing Father: Moses as a Political Leader* (University, Alabama: University of Alabama Press, 1984), p. 30.

idolatry.[15] *The gleaning law restrained the idolatry of greed*. It reminded rich men that they did not need to keep everything that they managed as God's stewards in order to remain successful. It restrained them from the passion of autonomous man: defining themselves in terms of their wealth rather than their obedience to God.

E. Hard Work

The gleaner had to work harder than the average worker did in order to harvest the same quantity of crops. The "easy pickings" were gone by the time the gleaner was allowed into the fields. This means that he had high marginal labor costs. That is, he had to invest more labor per unit of crop harvested than the piece-rate harvester did. Assuming that the harvester's goal was a high return on labor in vested, it was preferable to be a piece-rate worker than to be a gleaner. To be a gleaner was to be in a nearly desperate condition.

In the case of both piece-rate work and gleaning, *most of the labor costs of harvesting were borne by the poor*. A rich man did not work in the fields. In modern terminology, this might be called a *workfare* program instead of a welfare program. The gleaner was not a passive recipient of someone else's money. He had to work. Furthermore, marketing costs may actually have been borne by the poor. It would have been legal for the poor individual to take whatever pickings he gained from the field and go to a store owner or other purchaser of the crop. The owner of the land did not have the right to compel the gleaner to sell the gleanings to him. *This means that the gleaner was enabled to obtain a competitive market price for the output of his labor*. Of course, this would have been extra work and risk for the gleaner, and it involved specialized knowledge of markets. Nevertheless, it was a right before God that the gleaner possessed.

There was another great advantage to this form of morally enforced charity: it brings hard-working, efficient poor people to the attention of potential employers. In effect, employers in Mosaic Israel could "glean" future workers from society's economic "leftovers."

This system produced more food for the community than would have been produced apart from the law, although costs were higher than otherwise.[16]

15. *Idem*.
16. North, *Boundaries and Dominion*, ch. 11:F.

F. Subsidizing Tribalism and Localism

Is becoming a low-paid field hand God's universally required on-the-job training system? No. God no longer expects poor people to learn how to become field laborers. In Old Covenant Israel, however, it was important that men learn to serve Him locally. God wanted to preserve localism and tribalism. The tribal system was important for the preservation of freedom in Israel. Tribalism and localism undermined attempts to centralize the nation politically. Thus, the gleaning law was part of the social order associated with Old Covenant Israel. It reinforced the tribal system. It also reinforced rural life at the expense of urban life—one of the few Mosaic laws to do so. *The land owner was required by God to subsidize the rural way of life*. Local poor people were offered subsidized employment on the farms. Had it not been for the gleaning system, the only rural alternatives would have been starvation or beggary. Hungry people would have moved to the cities, just as hungry people do all over the world today.

The jubilee land inheritance laws kept rural land within the Israelite family. If a daughter inherited land because there was no brother, she could not marry outside her tribe if she wanted to keep the land. "Neither shall the inheritance remove from one tribe to another tribe; but every one of the tribes of the children of Israel shall keep himself to his own inheritance" (Num. 36:9).[17] While a rich man might move permanently to a city, the poor person was encouraged by the gleaning law to stay closer to home.

Cities would inevitably have become the primary dwelling places for most Israelites if they had obeyed God as a nation. Population growth would have forced most people into the cities. The size of family plots would have shrunk as each generation inherited its portion of the land. But until Israel's corporate covenantal faithfulness led to population growth and increased per capita wealth, each tribe's poor members were to be subsidized by the gleaning law to remain close to the tribe's food supplies. *This law was a means of retarding the growth of an unemployed urban proletariat*. The countryside was to be the place where the poor man received his daily bread. He would have to do simple agricultural labor to receive his food. This law also promoted localism rather than a distant bureaucracy.[18]

Another important reason for localism was the concern of God

17. Gary North, *Sanctions and Dominion: An Economic Commentary on Numbers*, 2nd ed. (Dallas, Georgia: Point Five Press, [1997] 2012), ch. 22.

18. North, *Boundaries and Dominion*, ch. 11: G:1:(a).

that His resources not be used for evil purposes. Either the provider of this agricultural charity had to reside locally or else his specified agent had to. Local residents in rural Mosaic Israel were more likely to be well known to the land owners. Presumably, the cause of their poverty was also well known to the land owners, or at least this could be discovered without much difficulty. *The gleaning system reduced the subsidy of evil.* The poor person who was poor as a result of his own bad habits did not have to be subsidized by the land owner and the professional harvesters who worked his fields. The land owner had the right to exclude some poor people from access to his fields. Gleaning was therefore a highly personal form of charity, since the person who was required to give this charity was also the person who screened access to the fruit of the land.

This means that the gleaning law was a form of *conditional* charity in each individual recipient's case, although the loss was compulsory from the point of view of the land owner. *Biblical charity is always conditional.*[19] Charity is not to subsidize evil, for it is an act of grace. *Unconditional charity is antinomian.* In a fallen world, unconditional charity will eventually subsidize evil. This is even more true of legal entitlements to other people's wealth. Such wealth transfers are not a form of charity. They are legislated theft. They represent a perverse modification of the eighth commandment: "Thou shalt not steal, except by majority vote."

The local member of the land owner's tribe was the primary recipient of charity, but he was not the only one. The other recipient of the grace of gleaning was the stranger. These strangers were presumably resident aliens who had fallen on hard times. Some of them may have been hired servants who could not find employment. They were people who did not want to go back to their home country. They were therefore people who wanted to live under the civil law of God in the Promised Land. These people were morally entitled to the same consideration that the poor Israelite was morally entitled to. It is clear that this arrangement would have increased the emotional commitment of the resident alien to the welfare of the community. He was treated justly. This law was agricultural only. It did not apply to urban businesses.[20]

19. Ray R. Sutton, "Whose Conditions for Charity?" in *Theonomy: An Informed Response*, ed. Gary North (Tyler, Texas: Institute for Christian Economics, 1991), ch. 9.

20. North, *Boundaries and Dominion*, ch. 11:H.

G. Conditional Charity: Moral Boundaries

The owner of a farm had to acknowledge the sovereignty of God by obeying the gleaning laws. These laws were a reminder to him that *biblical authority always has costs attached to it*. The owner of rural land had been given capital that other people lacked. He therefore had an obligation to the local poor as God's agent, for the land itself was pictured as God's agent. His obligation was to supply the land's leftovers to the poor.

In making this demand, the gleaning law placed decisive limits (boundaries) on both the poor rural resident and the state. It limited the moral demands that the poor could make on economically successful people in the community. The poor had no comparable moral claim against the successful non-agricultural businessman. This law also limited the demands that the state could make on the community in the name of the poor. Biblical law specified that the man with landed wealth should share his wealth with the deserving poor, not the poor in general. The deserving poor were those who were willing to work hard, but who could not find work in the normal labor markets. In short, *the gleaning law had conditions attached to it*. The idea of morally compulsory, non-conditional charity was foreign to the laws of the Mosaic covenant.[21]

The gleaner had to work very hard, for he reaped only the leftovers. This means that his income was lower than would have been the case if he had been a professional harvester. Gleaning provides a lesson to the poor: *there are no free lunches in life*. Someone always has to pay. The economic terms of the gleaning system established that only destitute members of the community would have become gleaners. If there had been any other source of income besides begging, they would have taken it. The hard work and low pay of gleaning was

21. It is equally foreign to the law of the New Covenant. This assertion appalled Timothy Keller: "Theonomy and the Poor: Some Reflections," in William S. Barker and W. Robert Godfrey (eds.), *Theonomy: A Reformed Critique* (Grand Rapids, Michigan: Zondervan, 1990), pp. 273–79. He called initially for unconditional charity to all poor people. He argued that anyone in need anywhere on earth is my neighbor, thereby universalizing the moral claims of all poor people on the wealth of anyone who is slightly less poor. He wrote: "*Anyone* in need is my neighbor—that is the teaching of the Good Samaritan parable." *Ibid*., p. 275. He rejected the traditional Christian concept of the deserving poor (pp. 276–77). He concluded: "I am proposing that the reconstructionist approach to biblical charity is too conditional and restrictive." *Ibid*., p. 278. For my response, see North, *Westminster's Confession: The Abandonment of Van Til's Legacy* (Tyler, Texas: Institute for Christian Economics, 1991), pp. 271–73. See also Sutton, "Whose Conditions for Charity?" in North (ed.), *Theonomy: An Informed Response*, ch. 9.

an incentive for the individual to get out of poverty.

The gleaning laws operated within the framework of the jubilee land laws. The poorest Israelite in the community at some point would inherit a portion of the original family inheritance. The size of that portion of land depended on the number of male heirs. Its value depended on the economic productivity of local residents who could legally bid to lease it.[22] The more productive the heir, the more likely that he would be able to retain control over it.[23] Gleaning gave the poor Israelite an opportunity to gain management skills and other skills as a land owner prior to the time that he or his children would be given back the original family land grant through the jubilee land law. The gleaning law provided training that could in the future be converted into family capital. The gleaning law was designed to keep poor people in the local agricultural community.

The gleaning law did not apply to non-agricultural businesses or professions. It originated from the fact that God declared Himself as the owner of the Promised Land. He did not verbally claim an equally special ownership of businesses. The land, not business, was identified as God's covenant agent that brought God's covenant lawsuits in Old Covenant Israel.[24] Any attempt to derive a modern system of charity, public or private, from the gleaning law faces this crucial limitation. The gleaning law was not intended to apply out side a farm.

The modern welfare state is a perverse mirror image of the gleaning law. Everything is reversed. The modern welfare state is overwhelmingly urban. It disregards the moral criteria for charity and substitutes bureaucratic-numerical criteria. This has greatly expanded both the political boundaries of charity and the extent of poverty. People get paid by the state for being poor; the free market responds: more poor people. The welfare state now faces bankruptcy: the destruction of those dependent on its support.[25]

There are few modern applications of the gleaning law, which was a land law. Modern industrial society is not agricultural.[26] But there is a theological principle that undergirds gleaning: *fallen man is always a*

22. The economist looks for a price to establish value. The highest market value is determined by the highest market bid by a potential buyer or long-term leaser.

23. This legal right to inherit the family's land did not extend to the stranger until after the exile (Ezek. 47:22–23). Gary North, *Restoration and Dominion: An Economic Commentary on the Prophets* (Dallas, Georgia: Point Five Press, 2012), ch. 22.

24. North, *Boundaries and Dominion*, ch. 32.

25. *Ibid.*, ch. 11:J.

26. *Ibid.*, ch. 11:K.

gleaner. But redeemed men will progressively escape their dependence on other men's charity as society advances through God's grace.

Conclusion

The gleaning law was part of an overall system of political economy. Many of the details of this political economy were tied to the Promised Land and the sacrificial system of that land. Localism and tribalism were both basic to the application of the gleaning law in Mosaic Israel. Consider localism. The authority of the local land owner to chose who would glean and who would not from among various candidates—the boundary principle of inclusion and exclusion—transferred great responsibility and authority into his hand. This kind of *personalized charity* is no longer taken seriously by those who legislate politically grounded welfare state policies in the modern world. Such a personalized system of charity transfers too much authority to property owners, in the eyes of the politicians, and not enough to the state and its functionaries.

It is not the principle of localism that changes in the New Testament era; it is only the landed tribalism that changes. When the kingdom of God was transferred to a new nation (Matt. 21:43), meaning the church, the Levitical land laws were abolished. Gleaning therefore no longer applies in the New Covenant era. The jubilee land law was annulled by Jesus through: (1) His ministry's fulfillment of the law (Luke 4:16–27);[27] (2) the transfer of the kingdom to the church at Pentecost (Matt. 21:43; Acts 2); and (3) the destruction of Jerusalem in A.D. 70.[28] Can we learn anything from the gleaning law? I think we can, but these lessons are essentially negative. They show us what should not be done, not what must be done, to avoid God's negative sanctions on us as individuals.

The lessons from gleaning are these: (1) all charity is based legally on the fundamental principle that God owns the earth (Ps. 24:1); (2) a third party has no legal civil claim on any asset that he does not own; (3) charity should not create permanent dependence on the part of the recipient; (4) charity should not subsidize evil; (5) charity should involve hard work except in cases where the recipient is physically incapacitated; (6) charity should not provide living standards that are higher than the poorest workers in society are able to earn.

27. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 6.

28. David Chilton, *The Days of Vengeance: An Exposition of the Book of Revelation* (Ft. Worth, Texas: Dominion Press, 1987).

The fundamental principle learned from the gleaning laws is this: *charity in a biblical social order must not be based on the idea that the state is a legitimate institution of salvation*. The state is not a biblically legitimate agency of social healing. It is an agency of public vengeance (Rom. 13:1–7).[29] It possesses a lawful monopoly of violence. *It therefore cannot be entrusted with the authority to take the wealth of successful people in order to reward the poor*. If it is allowed to do this, its agents become the primary beneficiaries of the confiscated wealth. Its political and bureaucratic agents will gain power over both the poor and the economically successful. These agents will become permanent spokesmen for the official beneficiaries of the wealth, namely, the poor. They will have no incentive to elevate poor people as a class permanently out of poverty. A system of legal entitlements for the poor becomes a system of legal entitlements to full-time jobs for those who administer the system. This is the antithesis of the gleaning system of the Mosaic covenant. In that system, participants had an economic incentive to get the poor back to work: the land owners, the piece-rate harvesters, and the poor themselves.

It is clear what God expects from all property owners: a willingness to forego maximum personal returns. They are to "leave something on the table" for the other party in any transaction between righteous people. Non-owners—the righteous poor—have a moral claim, though not a legal claim, on the output of the owners. Property owners serve as stewards of God, the original Owner. God provides the raw materials and the social order which provide wealth. In this sense, every owner is a "free rider" in the economic system, i.e., a person who has not paid for all of the services rendered to him. *Grace precedes law. Man is always in debt to God. Every creature is a free rider in the creation*. The owner who seeks to maximize output for himself and his family thereby announces his own autonomy: "My power and the might of mine hand hath gotten me this wealth" (Deut. 8:17b).[30] In a world sustained by God's grace, this is a graceless attitude. It is an efficient way to become disinherited.

29. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 11.

30. Chapter 21.

63

UNMUZZLING THE WORKING OX

Thou shalt not muzzle the ox when he treadeth out the corn [grain].

DEUTERONOMY 25:4

The theocentric focus of this law is God as man's employer. God pays man whatever He has promised. The image relates to boundaries: boundaries around the ox's mouth and around the field.

A. Judicial Hermeneutics

This was not a land law or a seed law. Paul's citation of this law indicates that it was a cross-boundary law.[1] That which this verse reveals regarding God's requirements for employing an ox, it also reveals about God's relationship with man in man's covenantal office as an agent of dominion. A man works for God. Paul informs us that God allows a man to enjoy the fruits of his labor as he exercises dominion on behalf of God, whether or not he acknowledges the existence of, or the assignment by, his heavenly employer. What God allows to man, man should allow to his subordinates. This includes his animal subordinates.

1. Protecting an Ox

How a man treats his ox reflects how he treats workers in general. The ox is a symbol of dominion.[2] It serves man as a working agent. It therefore is entitled to special protection. This is why the penalty for stealing and then either selling or destroying an ox is five-fold restitu-

1. On the differences among these laws, see Appendix J.

2. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 3, *Tools of Dominion* (1990), ch. 43:F.

tion (Ex. 22:1).[3] For other forms of theft (except sheep), as well as for an ox or sheep found in the thief's possession, it is double restitution (Ex. 22:4).[4]

Man is not a beast. He possesses future-orientation. The ox is not future-oriented. He eats as he works. The farmer who expects an ox to work all day without eating is expecting too much. Even in the case of a hired man, biblical law does not expect him to wait beyond sunset to receive his wages (Deut. 24:15).[5]

Rushdoony adopted this verse as an explanatory model for biblical interpretation.[6] He did so because Paul cited this passage in two epistles. In each case, Paul extended the narrow focus of this case law to a much broader concern: the payment of Christian workers who were laboring as teachers. In the first example, Paul reminded the Corinthians that He was an apostle. He was in authority over them. He was therefore entitled to financial support.

> Am I not an apostle? am I not free? have I not seen Jesus Christ our Lord? are not ye my work in the Lord? If I be not an apostle unto others, yet doubtless I am to you: for the seal of mine apostleship are ye in the Lord. Mine answer to them that do examine me is this, Have we not power to eat and to drink? Have we not power to lead about a sister, a wife, as well as other apostles, and as the brethren of the Lord, and Cephas? Or I only and Barnabas, have not we power to forbear working? Who goeth a warfare any time at his own charges? who planteth a vineyard, and eateth not of the fruit thereof? or who feedeth a flock, and eateth not of the milk of the flock? Say I these things as a man? or saith not the law the same also? For it is written in the law of Moses, Thou shalt not muzzle the mouth of the ox that treadeth out the corn. Doth God take care for oxen? Or saith he it altogether for our sakes? For our sakes, no doubt, this is written: that he that ploweth should plow in hope; and that he that thresheth in hope should be partaker of his hope (I Cor. 9:1–10).

The field to be plowed in this case was the world. Paul was harvesting men. The Corinthians were part of his work of harvesting. Why were they resisting paying him? As surely as an ox was entitled to eat while he worked for another, so was Paul entitled to be paid as he worked on behalf of the Corinthians.[7]

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3. *Idem*.
4. *Idem*.
5. Chapter 61.
6. R. J. Rushdoony, *The Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973), pp. 11, 506.
7. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 11.

In the second example, Paul defended the right of church rulers to a double portion. "Let the elders that rule well be counted worthy of double honour, especially they who labour in the word and doctrine. For the scripture saith, Thou shalt not muzzle the ox that treadeth out the corn. And, The labourer is worthy of his reward" (I Tim. 5:17–18). Double honor in this context meant double payment, i.e., payment higher than what a comparably skilled workman would receive. The elder who devotes all of his time to serving the church should be well-compensated by the members.[8]

What was the biblical origin of the concept of double payment? It has to be the firstborn son's double inheritance (Deut. 21:15–17).[9] A church elder is to be treated as a firstborn son. He performs double service; he should receive double honor and double payment.

2. From Minimal to Maximal Application

The law governing oxen is a Mosaic case law. These case laws are stated in a narrow context, but they are to be applied more broadly, as Paul's examples indicate. Rushdoony describes this case-law's hermeneutic: "These specific cases are often illustrations of the extent of the application of the law; that is, by citing a minimal type of case, the necessary jurisdictions are revealed. To prevent us from having any excuse for failing to understand and utilize this concept [of case law], the Bible gives us its own interpretation of such a law, and this illustration, being given by St. Paul, makes clear the New Testament undergirding of the law."[10] Rushdoony uses Paul's application of this case law as a hermeneutical model which has been validated in the New Covenant.

Rushdoony classified the ox law as an application of the commandment against theft. "If it is a sin to defraud an ox of his livelihood, then it is also a sin to defraud a man of his wages; it is *theft* is both cases. If theft is God's classification of an offense against an animal, how much more so an offense against God's apostle and minister?"[11] Rushdoony used to say, "Americans want their religion, but they want it cheap." He regarded such an attitude as a violation of this case law.

The case laws apply the Ten Commandments in real-world situations. "Without case law, God's law would soon be reduced to an

8. Gary North, *Hierarchy and Dominion: An Economic Commentary on First Timothy*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 7.

9. Chapter 50.

10. Rushdoony, *Institutes*, p. 11.

11. *Ibid.*, p. 12.

extremely limited area of meaning. This, of course, is precisely what has happened. Those who deny the present validity of the law apart from the Ten Commandments have as a consequence a very limited definition of theft. Their definition usually follows the civil law of their own country, is humanistic, and is not radically different from the definitions given by Moslems, Buddhists, and humanists."[12]

3. From Minimal Application to Zero Application

The hermeneutic that is typically used by Christian Bible commentators and expositors is this: "If a Mosaic law is not reaffirmed in the New Covenant, it is no longer binding." In other words, *a Mosaic law is guilty until proven innocent*. This judicial presupposition raises the problem of bestiality, which is prohibited by the Mosaic law but is not mentioned in the New Covenant. If the person committing the act is not married, the "New Testament only" Christian faces a very difficult problem: On what judicial basis should the act be prohibited by the state? It was prohibited under the Mosaic covenant. Why not today? Furthermore, what is the appropriate civil penalty? It was execution under the Mosaic law (Lev. 20:15–16). Modern commentators handle this judicial problem by not considering it.[13]

An example of this hostility toward the Mosaic case laws is Dan G. McCartney's essay in the Westminster Theological Seminary symposium, *Theonomy: A Reformed Critique* (1990). He was a professor at the Gordon-Conwell Divinity School. He forthrightly rejected all of the Mosaic case laws, thereby removing the covenantal status of civil government. "Therefore, the New Testament's approach to the Old Testament is not an attempt to readapt or contemporize case law, in the way the Rabbis did. The law, or rather the Old Testament as an entirety, is focused on Christ, and *through him* it becomes applicable to believers. Thus case law is not *directly* applicable, even to believers; it is applicable only as a working out of God's moral principles, an expression of God's character revealed in Christ."[14] That is to say—and he said it—there is no binding authority of either the Mosaic case

12. *Idem*.

13. I have raised this issue before. Gary North, *75 Bible Questions Your Instructors Pray You Won't Ask* (Tyler, Texas: Spurgeon Press, 1984), Q. 26. Gary North, *Westminster's Confession: The Abandonment of Van Til's Legacy* (Tyler, Texas: Institute for Christian Economics, 1991), pp. 211–14. I have yet to see any critic of theonomy deal in print with this problem.

14. McCartney, "The New Testament Use of the Pentateuch: Implications for the Theonomic Movement," in *Theonomy: A Reformed Critique*, eds. William S. Barker and Robert W. Godfrey (Grand Rapids, Michigan: Zondervan Academie, 1990), p. 146.

laws or their mandated civil sanctions. "Where legal questions arise, he [Jesus] is concerned with the law's internal application, not its external enforcement."[15] "As we have noted, the New Testament gives no indication of the law's sanctions as applicable to any except Christ and, through him, his people. . . . There may indeed be punishment for people *within the church* (2Co 10:6), but this does not involve civil authority or those outside the church (1Co 5:12), and its only form is various degrees of removal from fellowship (being 'cut off' from the people)."[16] This is the theology of pietism: removing all biblical sanctions from the civil law.[17] This in principle leaves Christians at the mercy of the non-Christians who write the civil laws and enforce them. The pietist prefers man's civil law to God's civil law. So does the covenant-breaker. *This agreement has become the basis of an implicit operating civil alliance between Christian pietists and covenant-breakers*.[18] Only as the covenant-breakers extend the civil law's jurisdiction to encompass, control, and then immobilize the church do the pietists protest. "That's not fair! You guys promised to be neutral."[19] To which the covenant-breaker responds: "We are completely neutral in the area of religion. Our interpretation of neutrality says that the God of the Bible has no public authority in society. You are saying that God is relevant to some aspects of society, such as the church, or the family, or education, and that you have the right to impose economic or other sanctions in these areas. You discriminate against others who say that the God of the Bible may not lawfully be invoked as the basis of public decision-making. Understand, in our view, everything is public. Nothing is outside the realm of civil law.[20] So, you are not being neutral as we define it. You are trying to legislate morality when you create zones of exclusivism in which your economic or membership sanctions apply. We will no longer allow you to be unneutral."

Step by step, Christians surrender the doctrine of God's authority in history. Step by step, their enemies push them into Christian ghettos. But ghettos are never permanent. Eventually, like the Jewish ghettos of northern Europe and Soviet Asia, the residents will be removed from these ghettos and sent into different ghettos: concentration camps. They may not be called concentration camps. They

15. *Ibid*., p. 143.
16. *Ibid*., p. 147.
17. See Appendix I.
18. North, *Authority and Dominion*, ch. 1:A.
19. See Appendix H: "Week Reed: The Politics of Compromise."
20. Secular humanists do insist on one safety zone: sexual activity.

may be called re-education camps. They may be called government schools.[21] But life in the ghetto is always at the discretion of those who make the laws and enforce them. There is no neutrality. There is no immunity. Two kingdoms are at war. They cannot both be triumphant in history. Any alliance between the two kingdoms is temporary. One will eventually gain power over the other.

B. Wiser Than God

The vast majority of Christians have always believed that they can improve on the Mosaic law. On their own authority, they revise God's law by coming to conclusions in the name of God that deny the specific teachings of God's revealed law. Then they proclaim their annulment-through-interpretation as being in conformity with "the true spirit of God's law" or "the underlying principles of God's law." As part of this improvement, they reject the binding authority of God's law. In doing so, they necessarily become advocates of some system of law proposed by one or another group of covenant-breakers. They refuse to ask themselves the obvious question: "If not God's law, then what?" In short, "By what *other* standard?"[22]

As an example, consider the assertion of Rev. John Gladwin, a defender of central planning, who later became a bishop in the Anglican Church and one of its leading social theologians. He became a member of the House of Lords in 1999. In a chapter in a book devoted to Christian economics, he rejected the concept of the Bible as a source of authoritative economic guidelines or blueprints. In fact, he assured us, it is unbiblical to search for biblical guidelines for economics. "It is unhelpful as well as unbiblical to look to the Bible to give us a blueprint of economic theory or structure which we then apply to our contemporary life. We must rather work in a theological way, looking to the Bible to give us experience and insight into the kingdom of God in Jesus Christ. This then helps us discover values and methods of interpretation which we can use in understanding our present social experience."[23] Furthermore, "There is in Scripture no blueprint of the ideal state or the ideal economy. We cannot turn

21. William F. Rickenbacker (ed.), *The Twelve-Year Sentence: Radical Views of Compulsory Schooling* (San Francisco: Fox & Wilkes, [1974] 1998).

22. Greg L. Bahnsen, *No Other Standard: Theonomy and Its Critics* (Tyler, Texas: Institute for Christian Economics, 1991).

23. John Gladwin, "A Centralist Response," in Robert G. Clouse (ed.), *Wealth and Poverty: Four Christian Views of Economics* (Downers Grove, Illinois: InterVarsity Press, 1984), p. 124.

to chapters of the Bible and find in them a model to copy or a plan for building the ideal biblical state and national economy."[24] He contrasted biblical law unfavorably with theology. He then went on to praise the welfare state as an application of theological, rather than legal, insights.[25] Theology informs us that "there is no escape from the need for large-scale state activity if our society is to move into a more equitable future at social and economic levels."[26] Clearly, neither the Mosaic law nor the New Testament teaches this concept of economics, but theology supposedly does. Whose theology? Reinhold Niebuhr's, in his post-Marxist phase.[27]

So, we are assured, there are no authoritative economic guidelines or economic blueprints in the Bible. On the other hand, there are numerous vague and non-specific ethical principles which just about any Christian social theorist can invoke when promoting his recommended reconstruction of society. All it requires to baptize socialism is a series of nice-sounding pat phrases taken from the book of theological liberalism, which Gladwin offered in profusion: "the bounds of Christian principles of human concern," "the righteousness revealed to us in God himself," "the good," "structural frame work of law and social values," "gross and deepening disparities in social experience," "spontaneity of love," "the light of the gospel," and "the most humane principles of social order."[28]

Lest you imagine that Gladwin was an aberration, consider the fact that the two other anti-free market essayists in the book adopted the same anti-blueprint hermeneutic. William Diehl, a defender of academic Keynesianism's state-guided economy, confidently affirmed: "The fact that our Scriptures can be used to support or condemn any economic philosophy suggests that the Bible is not intended to lay out an economic plan which will apply for all times and places. If we are to examine economic structures in the light of Christian teachings, we will have to do it in another way."[29] Art Gish, a defender

24. Gladwin, "Centralist Economics," *ibid*., p. 183.

25. Gladwin, "Centralist Response," *ibid*., pp. 125–26

26. Gladwin, "Centralist Economics," *ibid*., p. 193.

27. *Ibid*., p. 197. He cites *Moral Man and Immoral Society* (1932). It is an odd book to cite. It was written by the author in reaction against his youthful fling with Marxism, a book in which he proclaimed that Jesus "did not dwell upon the social consequences of these moral actions, because he viewed them from an inner and a transcendent perspective." Reinhold Niebuhr, *Moral Man and Immoral Society* (New York: Scribner's, [1932] 1960), p. 264.

28. See my critique in *Wealth and Poverty*, p. 200.

29. William Diehl, "The Guided-Market System," *ibid*., p. 87.

of small communities of Christians who hold property in common, informed us that "Since koinonia includes the participation of every one involved, there is no blueprint for what this would look like on a global scale. . . . We are talking about a process, not final answers."[30]

The fact that these statements appear in a book on Christian economics should come as no surprise. These comments are typical of the opinions of humanist-educated Christian intellectuals. Christians who have spent their lives in humanist educational institutions, and who then have fed their minds on a diet of humanist publications, in most cases have adopted the worldview of one or another variety of humanism. They have felt emotionally compelled to baptize their adopted worldview with a few religious-sounding phrases. But just because someone keeps repeating "koinonia, koinonia" as a Christian mantra does not in any way prove that his recommended policies of common ownership will actually produce koinonia. What produces peace, harmony, and increasing per capita output is widespread faithfulness to God's law.

Understand, I am not suggesting that voluntary common ownership is anti-Christian, any more than I am saying that voluntary celibacy is anti-Christian. Paul recommended celibacy (I Cor. 7:32–33). He did so, he said, because of "the present distress" (v. 26).[31] Similarly, the Jerusalem church held property in common (Acts 2:44; 4:32).[32] Shortly thereafter, a great persecution of the church began. The entire church fled the city, except for the apostles (Acts 8:1). This exodus created the first foreign missions program in church history: "Therefore they that were scattered abroad went every where preaching the word" (Acts 8:4). The fact that they had sold their property enabled them to leave the city without looking back, as Lot's wife had looked back. So, for temporary purposes in times of great trial, voluntary celibacy and voluntary common ownership are legitimate, even wise. But to make either practice a recommended institutional model for all times and places is a misuse of historical events. The one institution where common ownership has been productive for longer than one generation is the monastery. However, it takes celibacy to make this system work for longer than a few years. As soon as there is a wife saying, "He's earning as much as you are, but you're far more produc-

30. Art Gish, "Decentralist Economics," *ibid*., p. 154.

31. Gary North, *Judgment and Dominion: An Economic Commentary on First Corinthians*, 2nd ed. (Dallas Georgia: Point Five Press, [2001] 2012), ch. 9.

32. Gary North, *Sacrifice and Dominion: An Economic Commentary on Acts*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 1.

tive," koinonia ends. In the modern state of Israel, the kibbutz collective farms faded rapidly as important sources of national production.

It is unwise to attempt to become wiser than God. "Because the foolishness of God is wiser than men; and the weakness of God is stronger than men" (I Cor. 1:25).[33] This is why it is our job to become familiar with God's Bible-revealed law. It, not the latest academic fad, is to be our guide, generation after generation. David made this clear in Psalm 119.

> Blessed are the undefiled in the way, who walk in the law of the LORD (v. 1).
>
> Open thou mine eyes, that I may behold wondrous things out of thy law (v. 18).
>
> So shall I keep thy law continually for ever and ever (v. 44).
>
> Let thy tender mercies come unto me, that I may live: for thy law is my delight (v. 77).
>
> O how love I thy law! it is my meditation all the day (v. 97).
>
> My soul is continually in my hand: yet do I not forget thy law (v. 109).
>
> I hate vain thoughts: but thy law do I love (v. 113).
>
> It is time for thee, LORD, to work: for they have made void thy law (v. 126).
>
> Great peace have they which love thy law: and nothing shall offend them (v. 165).
>
> I have longed for thy salvation, O LORD; and thy law is my delight (v. 174).

Despite generations of Christians who have said that they believe in the Bible, word for word, they have not believed in the 119th psalm, the longest chapter in the Bible. This is David's praise of God's Bible-revealed law. They have spent their lives avoiding its plain teaching. *The 119th psalm is a witness against the church*. Nowhere is this clearer than in the academic field of economics, the original social science, which was self-consciously structured by its founders in terms of theological agnosticism.[34]

C. Still in Force

The law against muzzling an ox is repeated twice in the New Testament, in the context of paying church officers. The person who

33. North, *Judgment and Dominion*.

34. William Letwin, *The Origins of Scientific Economics* (Cambridge, Massachusetts: M.I.T. Press, 1963).

defends a view of God's law that mandates a New Covenant recapitulation in order for a Mosaic law to be valid can hardly dismiss this case law. What he does dismiss as unproven is Rushdoony's insistence that this case law is a model for the others, i.e., that *the Mosaic case laws have continuing validity in the New Covenant era unless annulled by the New Testament*.

1. Hermeneutics (Interpretation)

Paul's application of this law provides commentators with an example of biblical casuistry: applying a biblical law to specific cases. The pietist prefers to operate on the assumption that unless a New Testament author applies a case law, the case law is no longer valid in the New Covenant. But Jesus' language does not validate this assumption: "Think not that I am come to destroy the law, or the prophets: I am not come to destroy, but to fulfill. For verily I say unto you, Till heaven and earth pass, one jot or one tittle shall in no wise pass from the law, till all be fulfilled" (Matt. 5:17–18).[35] *The continuity of God's law is Jesus' hermeneutical presupposition*. It is therefore the responsibility of the commentator to provide reasons for the annulment of a particular case law. He may not legitimately assume away judicial continuity. Yet commentators write as though it is somehow the burden of the defender of the case laws to prove each case law's continuing authority.

Beginning with *Tools of Dominion*, I have begun the discussion of each case law with a consideration of its theocentric focus. If we begin with God and His relationships with mankind, we are on more solid ground exegetically than if we begin with man, his desires, and needs. The Bible begins with "In the beginning God. . . ." not "In the beginning man. . . ." While it is possible to misconceive the theocentric focus of a law, it is also possible to misconceive the anthropocentric focus of a law. It is safer to begin with God, in whose image man is made, than to begin with man, who is continually tempted to see God as made in man's image.[36]

Because of the debate over hermeneutics, the debate over this case law raises several issues. First, must this law be applied literally? If

35. Greg L. Bahnsen, *Theonomy in Christian Ethics*, 3rd. ed. (Nacogdoches, Texas: Covenant Media Foundations, [1977] 2002).

36. Ludwig Feuerbach is a classic example of this form of theological anthropocentrism. See his book, *The Essence of Christianity* (1841). Cf. Gary North, *Marx's Religion of Revolution: Regeneration Through Chaos* (Tyler, Texas: Institute for Christian Economics, [1968] 1989), pp. 28–30.

the farmer feeds the animal a diet designed by scientists, should he still obey this law? Maybe the ox likes to eat corn on the cob, plus the cob, but isn't a scientifically designed diet better for him nutritionally? Second, to what extent is Paul's invocation of this law a model for all other Mosaic case laws? Is Paul's wider application of this case law to the affairs of men a model for other case laws? How can we know when we have extended the application of a law too broadly?

2. Literalism

In modern industrial nations, only Amish and Hutterite farmers use animals to do their plowing. The legal issue of muzzling the ox never arises in the context of mechanized agriculture. But Christian missionaries work with farmers who still use oxen. What should they tell these farmers? Should the farmers muzzle their oxen or not?

The ox should be paid as he works in the field as surely as the pastor should be paid for his labor. If the farmer wants to feed his animal before taking it into the field, that is legitimate. Perhaps then the animal will not eat so much in the field. What is not legitimate is forcing it to work while wearing a muzzle. The animal is used to eating throughout the day. The farmer is not to force new eating habits on a work animal. If he can train the animal without using compulsion to eat at scheduled times, this is not a violation of this law. What is convenient for the farmer may become convenient for the animal. This is for the animal to decide. In any case, the animal should not be muzzled while it is working in the field.

3. How Much More!

If this case law applies to oxen, then how much more does it apply to men! Another case law tells us that employers should pay their workers at the end of the day (Deut. 24:15).[37] This enables us to begin to apply this law in human affairs. But this is only the beginning. Paul said that the muzzled ox law also governs the payments that churches owe to ministers. In other words, if it applies to day laborers, how much more to laborers in the word of God!

How do we know when we have extended a case law application too far? First, when we find another case law that places limits on us. Men are to be paid daily, by the end of the working day. So, they need not be paid hourly. Also, this law implies a lunch break. Men work with their hands, unlike an ox. They use their hands to feed them-

37. Chapter 61.

selves. So, they may not be able to work and eat at the same time. But if a man has food in his pocket and munches as he works, this is legitimate unless eating raises risks for others or himself. This law implies that he can lawfully eat a handful of uncooked corn from the stalks of the field. This is affirmed by another case law (Deut. 23:24–25).[38] These two laws also imply that he may eat the fruit of the tree or vine as he works.

The Bible comments on the Bible. The commentator must search the case laws to see if one modifies another. Searching the Bible for authoritative insights into the interpretation of any passage is the commentator's task in every area of exegesis, not just the case laws. The *a fortiori* (how much more) argument is used by New Testament writers to deal with subjects other than the Mosaic law.[39]

D. God's Law: Formally Universalized by Christ

Paul cited this law in two letters: one to Timothy and the other to the church at Corinth. The recipients were gentiles. Questions:

> Why did Paul think his audience would recognize this obscure Deuteronomic law?
>
> If this Mosaic case law is not to apply to the New Covenant, why did Paul cite it?
>
> What authority does this law have over gentiles?
>
> If it was a land law, then why does it apply outside the Promised Land?
>
> If a Mosaic case law is not to be broadened to apply to human relationships, then why did Paul apply it to pastoral financial support?

Antinomian critics of the Mosaic law have always had major problems with Paul's invocation of this law. They can hardly argue that this law possesses no authority today, but they also cannot readily explain why Paul cited it—at least not without calling into question their antinomian hermeneutic. Paul cited this law as judicially authoritative. He did not justify the law against muzzling oxen by invoking a previously unknown New Testament law to support pastors. On the

38. Chapter 59.

39. See, for example, Paul's discussion of the casting off of Israel and the resulting blessings to the gentiles, which he contrasts with the blessings the gentiles can expect when Israel is grafted back into the olive tree of faith (Rom. 11:12–15). John Murray, *The Epistle to the Romans*, 2 vols. (Grand Rapids, Michigan: Eerdmans, 1965), II, pp. 77–84; cf. North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 8.

contrary, he justified the New Testament's requirement for laymen to support pastors by invoking this Mosaic law.

Paul did not suggest that this law was a temporary historical intrusion in the development of salvation history. On the contrary, he explained the New Testament's requirement of pastoral support as an extension of this Mosaic law. Far from being a temporary intrusion[40] or judicial discontinuity in God's redemptive covenantal history, the law of the unmuzzled ox was an was an aspect of *the continuity of biblical law in God's redemptive covenantal history*: a covenantal stepping stone in the extension of this law's formal jurisdiction over the whole world. Today, unlike in Moses' day, the ascension of Jesus Christ has taken place, and God has sent the Holy Spirit. The law regarding muzzled oxen has been formally universalized by Paul, and men are now Spiritually empowered to obey it.

This law is a cross-boundary law. It has crossed the borders of Old Covenant Israel—a geographical border (e.g., Corinth) and the covenantal border (New Covenant). What repels antinomian commentators is the theonomists' suggestion that there are many cross-boundary laws in the Mosaic law. They resist admitting the existence of even one such Mosaic case law. But this law will not go away.

This law has always applied to gentiles, even before Moses. They should never have muzzled their oxen. They should not have refused to pay a laborer his wages. Paul asked the Corinthians: "Doth God take care for oxen? Or saith he it altogether for our sakes?" (I Cor. 9:9b–10b). He answered his own question: "For our sakes, no doubt, this is written: that he that ploweth should plow in hope; and that he that thresheth in hope should be partaker of his hope" (10b). This was equally true under the Old Covenant, even before Moses.

Through Christ's New Covenant, the cross-boundary laws of the Mosaic covenant have been extended officially to the gentile world. As surely as Jonah brought a covenant lawsuit against Nineveh, so did the early church bring one against Old Covenant Israel and Rome. The church invokes God's law. Every covenant lawsuit rests on a system of law. The church is not supposed to invoke natural law, meaning a law-order common to all men., i.e., the work of the law written on all men's hearts (Rom. 2:14–15).[41] If it lawfully invoked only nat-

40. The term is Meredith G. Kline's, which he applied to the entire Mosaic covenant. Kline, "Intrusion and Decalogue," *Westminster Theological Journal*, XVI (1953/54); Kline, *The Structure of Biblical Authority*, rev. ed. (Grand Rapids, Michigan: Eerdmans, 1972), pp. 154–71.

41. North, *Cooperation and Dominion*, ch. 4.

ural law, which rests the authority of fallen man's reason, then there would be nothing uniquely biblical about the church's covenant lawsuit. The lawsuit would merely be one more humanist appeal to covenant-breaking man to change his evil ways. In contrast, God's covenant lawsuit must always invoke God's Bible-revealed law—not the Mosaic land laws, seed laws, and priestly laws, but its cross-boundary laws. A church that had to adhere to natural law only would be like a Mosaic Israel that adhered only to natural law. But God required that the entire revelationally revealed law be read to the assembled nation once every seven years (Deut. 31:10–12).[42]

Conclusion

This case law governs men's treatment of their working oxen. It also governs churches' treatment of their ministers. In between these two applications of this law lies the general area of employers' relations with their employees. The governing hermeneutical principle here is this: "If this law governs men's relationships with subordinate animals, how much more does it govern their relationships with subordinate men." There is nothing in this case law to indicate that it had something to do with either a Mosaic seed law or a land law. Paul's extension of this law to the payment of full-time church workers indicates that it was a cross-boundary law. It applied outside the land of Israel in Moses' day, and it still applies today.

42. Chapter 75.

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LEVIRATE MARRIAGE AND FAMILY NAME

> *If brethren dwell together, and one of them die, and have no child, the wife of the dead shall not marry without unto a stranger: her husband's brother shall go in unto her, and take her to him to wife, and perform the duty of an husband's brother unto her. And it shall be, that the firstborn which she beareth shall succeed in the name of his brother which is dead, that his name be not put out of Israel.*
>
> DEUTERONOMY 25:5–6

The theocentric focus of this law is God's protection of His own name. This aspect of this law is closely associated with the third commandment: "Thou shalt not take the name of the LORD thy God in vain; for the LORD will not hold him guiltless that taketh his name in vain" (Ex. 20:7).[1] God places a boundary around His name.

A. Major Problems for Bible Commentators

This law was a seed law.[2] The preservation of a man's name is clearly stated here to be the reason for this law. So, the theocentric focus of this law is inheritance. But how? The preservation of God's name in history is not dependent on His biological issue. God is beyond the creation and history. Yet we know that every Old Covenant law had something to do with God's relationship to man.

What was the relationship in this case? It could not have anything to do with God's desire for biological heirs. God is not Zeus. This fact should warn us: this law had to do with *covenantal inheritance*, not biological inheritance. The dead brother had not produced an heir. This meant that his name would be put out of Israel unless his

1. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012). Part 2, *Decalogue and Dominion* (1986), ch. 23.
2. On seed laws, see Appendix J.

brother intervened biologically. Why was this necessary? As we shall see later in this chapter, this law had to do with *adoption and the transfer of inheritance*. This was its theocentric focus. This law had a great deal to do with the family, but the family considered as a covenantal institution rather than biological.

The Latin legal term, *levir*, refers to the brother of a husband. This Latin word has long been applied to the relationship described in this text. A brother was required to bond sexually with his sister-in-law under two limiting conditions: the two brothers had lived together, and a married brother had died without leaving an heir. The first limiting condition has not always been recognized by expositors. If the brothers did not dwell together, this case law was not applicable.

Commentators have trouble with this law, so different is it from today's practices. They rarely have disciplined themselves to think covenantally, so they have trouble identifying the central focus of a law that seems so different culturally. The author of the section on "Levirate" in the M'Clintock & Strong encyclopedia, a conservative late-nineteenth-century work, insisted that "A wise and just legislator could scarcely have been inclined to patronize any such law. . . ."[3] In writing this, the author revealed his own patronizing attitude toward God's law—an attitude common to most Christian expositors.

Many things that we would like to know about the application of this unique Mosaic office are not available in the text. We must surmise a great deal. For example, the text does not say that the levir had to be unmarried in order to marry the widow. Polygamy existed lawfully under the Old Covenant. On the one hand, this law was a positive ethical command; no exception based on polygamy appears in the text. On the other hand, if there was no exception based on the levir's status as a married man, then this law mandated polygamy in a unique situation. Is this likely?

We know that this law superseded the law forbidding a man to marry his deceased brother's wife (Lev. 18:6, 16). The penalty for such a union was childlessness (Lev. 20:21), implying God's personal intervention, but this law was given specifically so that there might be a child. There can be no doubt that this law superseded the law prohibiting a brother from marrying his dead brother's wife. It is possible that this law mandated polygamy in a unique situation. Yet this seems contrary to our understanding of God's standards for marriage. Be-

3. John M'Clintock and James Strong (eds.), *Cyclopedia of Biblical, Theological, and Ecclesiastical Literature*, 12 vols. (New York: Harper & Bros., 1894), V, p. 389.

cause the text does not mention polygamy, the commentator must look for hints in the passage that may offer clues to an answer—hints that are not apparent on the first or second reading.[4]

B. Seed and Name

Let us begin with God. Israel was God's son (Ex. 4:22). This meant that Israel bore God's name. The preservation of *a man's name in Israel* had something to do with the preservation of *God's name in history*. But what? God was not dependent on Israel to preserve His name, yet Israel's survival was important for God's reputation. After the exodus generation's attempt to stone Joshua and Caleb for having told them that God would give them victory over the Canaanites, God threatened to destroy Israel and raise up a new nation for Moses to lead. Moses reminded Him that His reputation was at stake: His promises to Israel. The issue was disinheritance: "I will smite them with the pestilence, and disinherit them, and will make of thee a greater nation and mightier than they" (Num. 14:12). Moses appealed to God's reputation, not Israel's legal claim: "Now if thou shalt kill all this people as one man, then the nations which have heard the fame of thee will speak, saying, Because the LORD was not able to bring this people into the land which he sware unto them, therefore he hath slain them in the wilderness" (vv. 15–16). God heeded Moses' argument. The decisive issue was God's reputation, not Israel's biological survival as a nation or son.

In contrast, Israel, not being God, was dependent on seed. The future of Israel was tied to God's promise to Abraham to preserve his seed. Paul wrote: "Now to Abraham and his seed were the promises made. He saith not, And to seeds, as of many; but as of one, And to thy seed, which is Christ" (Gal. 3:16). Again, it was *God's promise to Israel* that was crucial to Israel, not God's dependence on Israel. To fulfill this promise, God had to provide inter-generational continuity, i.e., an inheritance down through the generations of Israel. So, to this extent, God's reputation was dependent on Israel's survival.

This raises the old theological problem of conditional vs. unconditional promises. If the promise was unconditional, then God had to see to it that Israel survived. If it was conditional, then He had the option of cutting off the nation if it rebelled. The resolution of this seeming antinomy is found in the doctrines of predestination and

4. See below: section F.

imputation. First, predestination: God made a promise to Abraham. To this promise were attached conditions, such as circumcision. Ultimately, all conditions were met by Christ. God predestined their complete fulfillment. Second, imputation: God imputed Christ's future righteousness to Israel by grace. The future advent of the promised Seed in history was therefore the basis of Israel's survival.[5]

This places the promised Seed at the center of the life of Israel. This Seed would come through Judah (Gen. 49:10). *Thus, the separation of the tribes and their continuity through time was basic to God's covenant with Israel.* It was in this context that the levirate marriage law operated. It had to do with the preservation of a man's name. The deceased brother was part of a family. This family was part of a tribe. Tribal life in Old Covenant Israel was basic to the survival of the nation, not because of some inherent benefit of tribalism, but because of God's promise to Abraham regarding the coming Seed. This same promise of seed had been made to Adam (Gen. 3:15), but there was no element of nationalism or tribalism in this promise. There was a fundamental element of nationalism in God's promise to Abraham. There was a fundamental element of tribalism in Jacob's promise regarding Shiloh—an extension of the Abrahamic promise. So, the seed laws applied inside the boundaries of Israel, but not beyond. The Adamic promise of seed applied to the world outside Israel's borders. The same Seed—Jesus Christ—was the focus of all three promises (Gal. 3), but their fulfillment was achieved differently.

C. The Kinsman Redeemer

The Mosaic seed laws were inheritance laws. The levirate marriage law also regulated inheritance. The firstborn son[6] would inherit the dead man's name. Why did this inheritance of a name matter so much in Israelite society? Because the *preservation of a man's name* meant that he had an *inheritance in Israel's future*. He was heir to the promises that God had given to Abraham and Moses. The preservation of a man's name was in this sense eschatological. It had to do with Jacob's promise to Judah: "The sceptre shall not depart from Judah, nor a lawgiver from between his feet, until Shiloh come; and unto him shall the gathering of the people be" (Gen. 49:10). *An Israelite male was supposed to look forward to this messianic day of the Lord. Through his firstborn, he participated in Israel's eschatology*. The Israelites' family name

5. Chapter 13:B.
6. Or daughter, if he had no son.

system was future-oriented. The firstborn seed was basic to a family's future, just as the promised messianic Seed was basic to Israel's future. Both forms of covenantal seed were linked eschatologically by Jacob's prophecy regarding Shiloh.

The brother who had enjoyed the use of the family's landed inheritance had a legal obligation: to marry his dead brother's wife and bring the brother's heir into the world. This law is clear: *the two brothers had to have been living in close proximity*. Their lives in this sense had to be intertwined. This close geographical proximity had made each brother the kinsman redeemer/blood avenger (*go'el*) of the other. If one of them had been killed by another man where there was no witness, the survivor had the responsibility of pursuing the perpetrator (Num. 35:19, 27).[7] The nearest of kin *judicially* was the nearest of kin *geographically*. He would have been the person who had the greatest likelihood of overtaking the suspect on the highway as the latter raced toward a city of refuge. A brother who resided elsewhere was not the blood avenger.

The masculine relative who was the nearest of kin geographically was the kinsman redeemer. One of the responsibilities of the kinsman redeemer was to serve as the levir. He was required by the Mosaic law to *redeem the name* of his childless dead brother. This is what Onan refused to do for his dead brother, Er (Gen 38:9). God killed him for this sin (v. 10). Onan had enjoyed the fruits of his inheritance, which included citizenship and a name, but he was unwilling to accept the obligation associated with this inheritance, which was associated with the seed, i.e., the family's future.[8] One branch of the family had been cut off biologically. This threatened the name of the whole family. No branch was to be cut off in this way when two brothers lived together.

D. A Matter of Inheritance

The laws governing inheritance were generally patriarchal, though not exclusively. "And thou shalt speak unto the children of Israel, saying, If a man die, and have no son, then ye shall cause his inheritance

7. Gary North, *Sanctions and Dominion: An Economic Commentary on Numbers*, 2nd ed. (Dallas, Georgia: Point Five Press, [1997] 2012), ch. 21.

8. The traditional interpretation of this verse by Roman Catholics insists that Onan's sin was not his refusal to consummate the marriage as such, but rather his enjoyment of sex without coitus. *Onanism* is the Church's euphemism for either masturbation or coitus interruptus. This interpretation of the passage is incorrect. God slew him because he had gone into Tamar and ritually defiled her, her husband's name, and his levirate obligation.

to pass unto his daughter. And if he have no daughter, then ye shall give his inheritance unto his brethren. And if he have no brethren, then ye shall give his inheritance unto his father's brethren. And if his father have no brethren, then ye shall give his inheritance unto his kinsman that is next to him of his family, and he shall possess it: and it shall be unto the children of Israel a statute of judgment, as the LORD commanded Moses" (Num. 27:8–11). A man's land went to his male heirs at his death.[9] If he had no male heirs, it went to his daughters (Num. 27:8).[10] If he had no son or daughter, it went to his closest male relatives (Num. 27:9).

This information helps us to identify who the kinsman redeemer/blood avenger was in Mosaic Israel. There is no law that expressly says that the geographically closest adult male (though not a father) to the inheritance was a man's kinsman redeemer, but the structure of biblical authority implies that this was the case. Biblically, the link between judicial responsibility and economic benefits is strong.[11] I conclude that the geographically adjacent relative who would inherit a childless man's legacy was the first eligible man to marry his childless widow. He was the kinsman redeemer.

The Book of Ruth is the story of the levirate marriage in action.[12] In the case of Ruth, no surviving brother had lived alongside her late husband. So, she had no levirate claim on her husband's kinsman redeemer, who would have been a cousin back in Israel. When Naomi returned to Israel, she had legal standing as the widow of an Israelite. Boaz voluntarily agreed to marry Ruth if the nearest of kin to Elimelech refused.

The Bible's account is important for our understanding of the Mosaic economics of inheritance. The negotiation between Boaz and Naomi's kinsman redeemer began with a discussion of land, not marriage. Because Naomi had no surviving heirs, her husband's nearest kinsman was eligible to inherit her land. But since she was still alive,

9. North, *Sanctions and Dominion*, ch. 15.

10. *Ibid.*, ch. 22.

11. "And that servant, which knew his lord's will, and prepared not himself, neither did according to his will, shall be beaten with many stripes. But he that knew not, and did commit things worthy of stripes, shall be beaten with few stripes. For unto whomsoever much is given, of him shall be much required: and to whom men have committed much, of him they will ask the more" (Luke 12:47–48). Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 28.

12. Gary North, *Disobedience and Defeat: An Economic Commentary on the Historical Books* (Dallas, Georgia: Point Five Press, 2012), ch. 11.

he would have to pay her for the use of the land until her death. He would pay a lease until her death, and then it would be his. He understood this. What he did not know was that there was a further requirement: marriage to Ruth, who could yet raise up seed in the name of Naomi's dead husband, Elimelech.

> Then went Boaz up to the gate, and sat him down there: and, behold, the kinsman of whom Boaz spake came by; unto whom he said, Ho, such a one! turn aside, sit down here. And he turned aside, and sat down. And he took ten men of the elders of the city, and said, Sit ye down here. And they sat down. And he said unto the kinsman, Naomi, that is come again out of the country of Moab, selleth a parcel of land, which was our brother Elimelech's: And I thought to advertise thee, saying, Buy it before the inhabitants, and before the elders of my people. If thou wilt redeem it, redeem it: but if thou wilt not redeem it, then tell me, that I may know: for there is none to redeem it beside thee; and I am after thee. And he said, I will redeem it. Then said Boaz, What day thou buyest the field of the hand of Naomi, thou must buy it also of Ruth the Moabitess, the wife of the dead, to raise up the name of the dead upon his inheritance. And the kinsman said, **I cannot redeem it for myself, lest I mar mine own inheritance**: redeem thou my right to thyself; for I cannot redeem it.
>
> Now this was the manner in former time in Israel concerning redeeming and concerning changing, for to confirm all things; a man plucked off his shoe, and gave it to his neighbour: and this was a testimony in Israel. Therefore the kinsman said unto Boaz, Buy it for thee. So he drew off his shoe. And Boaz said unto the elders, and unto all the people, Ye are witnesses this day, that I have bought all that was Elimelech's, and all that was Chilion's and Mahlon's, of the hand of Naomi. Moreover Ruth the Moabitess, the wife of Mahlon, have I purchased to be my wife, to raise up the name of the dead upon his inheritance, that the name of the dead be not cut off from among his brethren, and from the gate of his place: ye are witnesses this day. And all the people that were in the gate, and the elders, said, We are witnesses. The LORD make the woman that is come into thine house like Rachel and like Leah, which two did build the house of Israel: and do thou worthily in Ephratah, and be famous in Bethlehem: **And let thy house be like the house of Pharez, whom Tamar bare unto Judah**, of the seed which the LORD shall give thee of this young woman (Ruth 4:1–12).[13]

The kinsman wanted to buy Naomi's land; he did not want marriage to her daughter-in-law. He did not have to marry Ruth, however. He had not lived close to Ruth's husband on the family's land. Elimel-

13. The text mentions Tamar, who had been cheated by Onan of her right to raise up seed in the name of her husband (Gen. 38:9). This is a clear reference to this land transaction as an aspect of the levirate marriage law.

ech's son Mahlon had resided in Moab, far from Israel. Neither Ruth nor Naomi had the right to spit in the man's face. He had the right not to marry Ruth in order to raise up seed in the name of his nephew.

Consider the reason offered by the kinsman for not marrying Ruth. It had to do with his own inheritance. "I cannot redeem it for myself, lest I mar mine own inheritance: redeem thou my right to thyself; for I cannot redeem it." He had hoped to inherit the land of his heirless deceased brother.[14] His sister-in-law was too old to bear children. He was therefore willing to buy it from Naomi before she died. This would have given her money to live on. The land would have come to him eventually. But Boaz was proposing something else. If Boaz married Ruth, and if Ruth gave birth, then Elimelech's land would pass to the child of Ruth, who would become the family's firstborn son. This land would be part of the legacy of Ruth's dead husband.

Because of Boaz's willingness to become Ruth's husband, the existing kinsman could gain control over Naomi's land only by marrying Ruth. But if she bore him an heir, he could not pass this land to his own children. The land would pass to Ruth's firstborn. Assuming that he was single, and assuming that he married Ruth, the land owned by Elimelech could not become his namesake's land; it would become Elimelech's namesake's land: Ruth's firstborn. His own flesh and blood would inherit this land, but *this biological heir would not be his judicial namesake*. So powerful was the concept of family name in Israel that the man turned down an opportunity to purchase land that his biological heir would eventually inherit.

For the existing kinsman to lose the inheritance from Elimelech through Naomi, another kinsman had to marry Ruth. Ruth could never possess an inheritance in Israel to leave to her firstborn except through the decision of a kinsman of her late husband to adopt her as a wife. Without Ruth's marriage to a kinsman of Elimelech, the land would automatically pass at Naomi's death to Elimelech's nearest of kin, i.e., Elimelech's kinsman redeemer.

The existing kinsman redeemer had to approve of this transfer, which was why Boaz assembled elders as witnesses. The existing kinsman redeemer could retain his claim on the inheritance only by marrying Ruth and then having Ruth remain barren, as she had been in Moab. If she bore a child who lived long enough to bear children to inherit, the existing kinsman redeemer and his heirs could not inherit this land. He decided that this marriage was not worth the added

14. The brother had fathered two sons, but both had died without children.

economic risk. If he married Ruth, and she bore him a child, all of the capital that he would invest into the land would become part of another man's covenant line. It would be his biological child's family line, but not his family name's line. This is evidence that blood lines in Israel were regarded as less important than covenant lines. *Family name was more important in Israel than biological generation*.

E. Name Above Biology

This is an extremely important theological point. Rahab the former harlot and Ruth the Moabite were adopted into their husband's covenant lines. This adoption was by oath: a marriage oath. Through them came David the king and Jesus, who was a greater king than David. Through two foreign women, the covenant line was extended. More to the point, through these women the supreme covenant line in Israel was extended: Judah's. Most to the point, through them the promised Seed was born (Matt. 1:5, 16). The crucial covenant line was preserved through marriage, and, in Ruth's case, levirate marriage to the biological heir of Rahab: Boaz (Matt. 1:5).

Boaz became the kinsman redeemer of Elimelech's line. He did this by marrying Ruth, a gentile. Only through his marriage to Ruth could he serve as the kinsman redeemer of Elimelech's line. That is, Boaz, as an heir in the line of Judah and, as it turned out, progenitor of Jesus the redeemer, exercised this office by marrying a Moabite. Moabite males took 10 generations to become citizens (Deut. 23:3). As heirs of an incestuous relationship between Lot and his firstborn daughter (Gen. 19:37), Moabites were regarded as far more perverse covenantally than Egyptians, who could become citizens in three generations (Deut. 23:7–8). But because of Boaz's judicial role as kinsman redeemer through marriage, Ruth was adopted into the covenant line in just one generation. Of all legal relationships biblically, adoption is the most authoritative. Through adoption, the disinherited children of Adam re-enter the family of God. *Adoption is the judicial basis of inheritance*. Adoption is by *covenant oath*, not biology.

Ruth, a gentile, was adopted into Israel's supreme covenant line by the willingness of a man to become a kinsman redeemer to her late husband. "Moreover Ruth the Moabitess, the wife of Mahlon, have I purchased to be my wife, to raise up the name of the dead upon his inheritance, that the name of the dead be not cut off from among his brethren, and from the gate of his place: ye are witnesses this day" (Ruth 4:10). By lowering himself socially by marrying a Moabite, and

by being willing to raise up seed for his kinsman Elimelech by way of Elimelech's dead son, Boaz was granted an extraordinary blessing. He became the biological forefather of David and Jesus. Legally, these heirs were not part of his personal covenant line. Only through Elimelech's name could he participate in the crucial covenant line. Only by being willing to raise up seed on behalf of another did he unknowingly place himself as the key figure in the extension of the key covenant line in Israel and, for that matter, in all of history. Boaz became the biggest covenantal somebody in his generation only because he was willing to become a covenantal nobody in the extension of Elimelech's line. The land that he presumably bought from Naomi became the family inheritance in another man's line. Any improvements that he made in this land became another family line's property. By abandoning his own name covenantally, he thereby became the greatest name of his generation, a name that is listed in both of the messianic genealogies in the New Testament (Matt. 1:5; Luke 3:32).

This case law was a seed law. As a law governing inheritance, it was also a land law. The firstborn of a levirate marital union inherited the deceased father's name. The text implies that later-born children would not inherit the deceased man's name.[15] The inheritance was above all covenantal: part of God's promise to Abraham. The deceased man's name was imputed to the heir by God and by law, even though he was born of the levir. *The imputation of a man's name was the essence of his inheritance*: from his fathers and to his children. God had revealed this to Abraham: "And I will make of thee a great nation, and I will bless thee, and make thy name great; and thou shalt be a blessing: And I will bless them that bless thee, and curse him that curseth thee: and in thee shall all families of the earth be blessed" (Gen. 12:2–3).

What the levirate law tells us is that the imputation of a man's name was more fundamental than either genetic inheritance or family discipline. In the context of the continuing academic debate between "nature" (genetics) and "nurture" (social environment), neither was fundamental in Israel. What was fundamental was *judicial imputation*. The levir performed a redemptive act on behalf of his brother's covenant line. This act was far more judicial than biological or social. He provided biological seed and family discipline, but the decisive factor

15. The brother would extend his name by means of the other children. If the firstborn son died, then his office as name-carrier would have passed to the oldest surviving son.

was judicial-covenantal-eschatological, not biological or social. It was so decisive that the law prohibiting a brother from marrying his sister-in-law was suspended.

Because of Boaz's grace to Naomi through Ruth, a unique and judicially unconventional thing took place: Boaz replaced Elimelech in Israelite history as part of the covenant line of David (I Chron. 2:11–12). In terms of the law of the levir, the family line through Ruth was Elimelech's, but Elimelech is never mentioned in relation to David. It was Boaz's marriage to Ruth in the name of Elimelech that secured Boaz's place in history. As the heir of Rahab, his act of mercy grafted Rahab into the kingly line retroactively. Judicially, Boaz's family line is irrelevant to the coming of David. Yet because of his grace shown to a gentile woman, his family name entered the most important family line in man's history. Boaz established his name and his family line's name in history by a merciful covenantal act which, in terms of the Mosaic law, submerged his name to Elimelech's. Boaz, who had not even been the closest of kin to Elimelech's son, and who had in no way been required to serve as levir, replaced Elimelech in Israel's family lists.

Jesus would imitate Boaz's judicial precedent, not by marrying, but by refusing to marry. By refusing to marry, He thereby transferred His inheritance to His kinsmen. He died on their behalf, so that they could be legally adopted into His covenant line.[16] His death and resurrection have offered to the gentiles God's covenantal inheritance by means of adoption, just as Boaz's willingness to marry Ruth offered her covenantal inheritance through adoption. As the heir of Jacob's promise (Gen. 49:10), Jesus was the true heir in Israel, the son of David the king. But Jesus was not Joseph's biological heir. Here we see another act of mercy: Joseph's refusal to put Mary away for fornication with another man. Joseph adopted Jesus as his firstborn son, and in doing so, gained shame for himself: the birth of his firstborn son in fewer than nine months after marriage.

As David's namesake and heir, Jesus transferred His kingdom to the church (Matt. 21:43). He extended His kingdom grant, not by holding onto it in history but by relinquishing it. Like Boaz, by relinquishing His covenantal claim in Old Covenant Israel—His name—

16. "Blessed be the God and Father of our Lord Jesus Christ, who hath blessed us with all spiritual blessings in heavenly places in Christ: According as he hath chosen us in him before the foundation of the world, that we should be holy and without blame before him in love: Having predestinated us unto the adoption of children by Jesus Christ to himself, according to the good pleasure of his will" (Eph. 1:3–5).

Jesus secured the inheritance for his kinsmen, thereby also securing His name in history. What Boaz had done on a small scale, Jesus did on a large scale. The judicial heart of what both of them did involved *a transfer of inheritance by surrendering the family name*. In doing this, Jesus, like Boaz, secured His name in history.

F. The Mosaic Family as a Tribal Unit

The seed laws and land laws existed because of Jacob's granting of blessings in Genesis 49, and specifically, his prophecy regarding the coming ruler, Shiloh.[17] They were tribal laws, not laws governing the family unit as such. Had they been laws governing the family unit as such, they would have been cross-boundary laws, universal in scope then and now. The law of the levirate marriage would still be in force. This law is no longer in force because Jacob's prophecy was fulfilled by Jesus Christ.

Covenantal adoption has completely replaced the law of the levirate marriage in the New Covenant. Jesus established the model. His death, which ensured His lack of biological heirs, was inherent in His plan of adoption and the transfer of kingdom inheritance. *Confession of faith has replaced tribal name as the basis of biblical inheritance*. Confession of faith involves adopting a new family name. "And the disciples were called Christians first in Antioch" (Acts 11:26b). A man's legal claim to a portion of God's kingdom inheritance is based on his possession of Christ's name as an adopted son. The New Covenant's preservation of Christ's name through *adoption by conversion* has replaced the Old Covenant's preservation of family name through *adoption by reproduction*.[18] What has changed, above all, is the tribal basis of inheritance. Covenantally mandated tribes no longer exist. This is why the seed laws and land laws have been replaced by the laws governing confession of faith and church membership. The church is the new nation that has inherited God's kingdom (Matt. 21:43). It has no tribes.

17. The practice of levirate marriage existed earlier than Genesis 49. Onan's rebellion indicates that the practice did exist, and it was a law, for God's negative sanction came on him. Without law, there is no legitimate sanction. This was not, however, a written law. Its application was tied to the tribal units of Jacob's family. Lot's daughters had used a perverse application of the levirate marriage. They had deceived their father when he was drunk. Tamar similarly deceived the widower Judah, her father-in-law, but Judah had not been drunk, and she did this only after Judah had demanded that she wait for the surviving youngest brother to grow up and fulfill his then-unwritten duty as a levir. She should have been released by Judah from any obligation to serve as the mother of Er's covenantal heir.

18. The mark of adoption in the Old Covenant was circumcision.

G. What About Polygamy?

I have already said that the text says nothing about the possibility that the levir was a married man at the time of his brother's death. If he was married, was he required by law to obey this law?

Let us look for hints. Here is one. The law specified that the firstborn son would inherit the deceased brother's name. The language implies that the firstborn son inherited all of the deceased brother's land. Land and name were linked. Under normal circumstances, all of the sons bore their father's name. All had a claim on part of the inheritance, with the eldest brother gaining a double portion (Deut. 21:15–17).[19] But in this case, the firstborn alone inherited the dead man's name.

That there was a firstborn implies that there could have been subsequent children. The marital union was an on-going union. Why were these later children cut out of the dead brother's inheritance? I conclude that *the sons born later would have been part of the covenant line of the biological father*. They would have divided up the inheritance which he had received from his father. They were not allowed to participate in the inheritance of the firstborn because this was his inheritance through his mother's dead husband.

If I am correct, this means that the levir retained his own covenant line despite marriage to his sister-in-law. He was not asked by God to forfeit his own covenant line for the sake of his brother. He was asked only to forfeit his firstborn son through his brother's wife for the sake of his brother. If he had been unmarried, his biologically firstborn son would not be his covenantally firstborn son. His biologically firstborn son through his wife would bear another man's name. Any additional biologically sons through her would become his covenantal sons. His second-born son would become his heir, a name sake for him.[20]

If he was already married, the incorporation into his household of additional sons through the brother's wife would have reduced the size of the plots inherited by the sons of his first wife. There is no doubt that this dilution of her sons' inheritance would have been resisted by the first wife. This dilution would have constituted their partial economic disinheritance, though not covenantal disinheritance. The children of the first wife would not have lost their family names,

19. Chapter 50.

20. The theme of the second-born son who inherits is repeated in the Old Covenant. It points to the distinction between Adam and Jesus as the true heir of God. In this case, however, the distinction had nothing to do with sin and rebellion by the firstborn.

only a portion of their father's land. His would have constituted a *double disinheritance*. If the husband refused to marry his sister-in-law, then at her death or at her remarriage to a non-kinsman, her late husband's land would have passed to his brethren. Perhaps the levir was the only brother. From an economic standpoint, performing the duty of the levir imposed a double economic burden on the children of the first wife: first, the dilution of their legacy, which they would then share with the new wife's later-born children; second, the future forfeiture of the levir's portion of his deceased brother's land. If polygamy was mandated by this law, then a wise wife would have recommended a move away from the jointly operated family farm until such time as a newly married brother produced his first child.

Because of the potential disinheritance aspect of the arrangement under polygamy, I conclude that this law did *not* apply to a brother who was already married. The biological sons of the levir would have had to forfeit too much. The firstborn son would have gained all of the dead man's legacy, while his older half brothers and younger brothers would have had to divide up the legacy of their biological father. Such a division of property would have been too heavily weighted to the economic advantage of one son.

The firstborn of a non-polygamous levirate marriage received his legacy from the dead man's estate—biologically, his uncle; covenantally, his father. His younger brothers, if any, divided up the levir's estate. Under such an arrangement, the second-born son would inherit the double portion of the biological father's estate. That was clearly an advantage for him. This estate would be larger than it would have been had there been no legacy from the dead man. The biologically firstborn son did not share in his father's landed legacy. This was an advantage for all of the brothers. Their *judicial half brother* received a large legacy, but this legacy would not have been in the family, had the first husband not died, so this legacy did not cost the other brothers anything that they might otherwise have inherited.

The economics of the levirate marriage points to potential *economic disinheritance in a polygamous arrangement*. This is not proof that a married levir was not mandated to marry his sister-in-law, for covenantal concerns in Israel were to be respected over economic concerns when the two were in conflict. But in the absence of specific language dealing with the question of polygamy, we can legitimately look for potential injustice that would have resulted from polygamy. Economic disinheritance was surely a negative factor.

Because a wise wife would have had an economic incentive to recommend departure from the family farm upon the marriage of a brother, the levirate law governed unmarried levirs. The economics of the arrangement under polygamy would have undermined the enforcement of the law. This would have reduced the number of levirate marriages. It seems unreasonable to suppose that God would have mandated polygamy, only to leave an obvious escape hatch for first wives to recommend: moving the family off the family's land for a year or two until the brother had an heir. If this law's covenantal effects were so important that it mandated polygamy, there would have been no loophole. But there was a loophole: moving away. I conclude that this law was not intended to apply to married levirs.

We must consider briefly the refusal of Elimelech's relative to marry Ruth. He could have justified his refusal by invoking the fact that his kinsman had died outside the land. Clearly, the two had not been living close to each other. Instead, he invoked the economic implications of inheritance: "I cannot redeem it for myself, lest I mar mine own inheritance." If he was not married, then in what way would marrying Ruth have been a threat to his inheritance? One answer: he was a widower with sons. Any sons born to Ruth beyond the first would have diluted his sons' inheritance. Another possible answer: he would have had to spend time and money in building up the land that his biologically firstborn son would inherit. So, this passage cannot be used to prove that he was married. Nevertheless, this passage also cannot be used to disprove the possibility that he was already married or was a widower with sons. It does not provide sufficient information.

Conclusion

The levirate marriage law was a Mosaic seed law that increased the likelihood of the eschatological survival of all family lines within a tribe. It placed family name above immediate bloodline relationships. The firstborn of a levirate union would inherit both name and land from the deceased covenantal father, not from the biological father. The levir, as a kinsman redeemer, acted to establish his dead brother's covenant line.

In the post-A.D. 70 era, there are no covenantally relevant tribal lines, for Jacob's prophecy was fulfilled in Jesus Christ. Furthermore, in the post-ascension New Covenant era, Jesus Christ serves as the kinsman redeemer/blood avenger. This office exists nowhere else.

There are no longer any cities of refuge. There is no longer an earthly high priest whose death liberates a man who is seeking refuge from the blood avenger. Both in its capacity as a seed law and as a law regulating the office of kinsman redeemer, this law has been annulled by the New Covenant.

65

JUST WEIGHTS AND JUSTICE

> *Thou shalt not have in thy bag divers weights, a great and a small. Thou shalt not have in thine house divers measures, a great and a small. But thou shalt have a perfect and just weight, a perfect and just measure shalt thou have: that thy days may be lengthened in the land which the* LORD *thy God giveth thee. For all that do such things, and all that do unrighteously, are an abomination unto the* LORD *thy God.*
>
> DEUTERONOMY 25:13–16

The theocentric focus of this law is the fixity of God's law. Man may not lawfully change it.

A. Reference Points

Diverse weights are the equivalent of arbitrary law and injustice. They are a form of theft. This was not a land law or a seed law. It was a cross-boundary law.[1]

To serve as a weight or measure, a physical object must not be subject to extensive change. There will be some change, imperceptible over short or even fairly long periods, because man and his world decay. Physical objects are subject to the processes of decline. They are under the burden of cursed nature: entropy.[2] But a weight or a measure is noted for its comparative permanence in a world of flux. This permanence is what gives the weight or measure its unique capability of serving as a means of comparison over time. Men can compare different things over time because these things can be compared

1. On the categories of the Mosaic law, see Appendix J.

2. Gary North, *Is the World Running Down? Crisis in the Christian Worldview* (Tyler, Texas: Institute for Christian Economics, 1988).

to a third thing, which serves as a reference point.[3] Without reference points, history would be nothing but flux. *God and His covenant law are man's reference points*. Weights and measures are analogies to God's covenant.

By comparing the man who uses unjust weights to an abomination, this law points to the worst transgressions of the Egyptians and Canaanites.[4] But why is this form of theft so repulsive to God? Because it is a representative act: to identify God as a liar and false gods as truth-tellers. *Using a dishonest weight is not merely theft; it is a major moral crime, analogous to idolatry*—a deception that was representative of Satan's deception of man kind: calling man to worship a false god.

I have commented on the judicial meaning of weights and measures in chapter 19 of *Boundaries and Dominion: An Economic Commentary on Leviticus*.[5] I reprint that section here.

B. Just Measures and a Just Society

The familiar Western symbol of justice is the blindfolded woman holding a balance scale. The blindfold symbolizes the court's unwillingness to recognize persons. The scale symbolizes fixed standards of justice: a fixed law applied to the facts of the case. Justice is symbolically linked to weights.

1. Quantification

Justice cannot be quantified,[6] yet symbolically it is represented by the ultimate determinant of quantity: a scale. An honest scale registers very tiny changes in the weight of the things being weighed. A

3. For example, modern man is told by scientists that space is curved. The correct reply is: "Compared to what?"

4. "And Moses said, It is not meet so to do; for we shall sacrifice the abomination of the Egyptians to the LORD our God: lo, shall we sacrifice the abomination of the Egyptians before their eyes, and will they not stone us?" (Ex. 8:26). "And the land is defiled: therefore I do visit the iniquity thereof upon it, and the land itself vomiteth out her inhabitants. Ye shall therefore keep my statutes and my judgments, and shall not commit any of these abominations; neither any of your own nation, nor any stranger that sojourneth among you: (For all these abominations have the men of the land done, which were before you, and the land is defiled;)" (Lev. 18:25–27). "The graven images of their gods shall ye burn with fire: thou shalt not desire the silver or gold that is on them, nor take it unto thee, lest thou be snared therein: for it is an abomination to the LORD thy God" (Deut. 7:25).

5. Dallas, Georgia: Point Five Press, [1994] 2012.

6. See below: "Intuition and Measurement."

scale can be balanced only by adding or removing a quantity of the thing being measured until the weights on each side are equal, meaning as close to equal as the scale can register.[7] Even here, the establishment of a precise balance may take several attempts. An average of the attempts then becomes the acceptable measure.

The ability of men to make comparisons is best exemplified in the implements of physical measurement. The language of physical measurement is adopted by men when they speak of making historical or judicial comparisons. For example, the consumer balances his checkbook. This does not mean that he places it on a scale. Or he weighs the expected advantages and disadvantages of some decision.

The economist constructs an index number to compare "prices"—meaning prices of specific goods and services—in one period with those in another period. He assigns "weights" to certain factors in the mathematical construct known as an index number. He says, for example, that a change in the price of automobiles—Hondas rather than Rolls-Royces, of course—is more important to the average consumer than a change in the price of tea. This was not true, however, in Boston in 1773. So, the economist-as-historian has to keep re-examining his "basket of goods" from time to time: Which goods and services are more important to the average person's economic well-being? But there is no literal real-world basket of goods; there is no literal real-world average consumer; there is no means of literally weighing the importance of anything. Yet we can barely think about making comparisons without importing the symbolism of weights and measures.

The language of politics also cannot avoid the metaphor of measurement. The political scientist speaks of checks and balances in the constitutional order of a federalist system. These are supposed to reduce the likelihood of the centralization of power into the hands of a clique or one man. That is, there are checks and balances on the exercise of power. These are institutional, not literal.

The language of measurement is inescapable. This is an implication of point three of the biblical covenant model: standards.[8] As surely as societies create bureaus that establish standards of measure-

7. There are physical limits on the accuracy of scales. The best balance scales today can measure changes as small as one-tenth of a microgram. Grolier Encyclopedia (1990): "Weights and Measures." God's civil law calls for equal justice, not perfect justice. Cf. North, *Authority and Dominion*, ch. 19.

8. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 3.

ment, so God has established permanent judicial standards. Both kinds of standards must be observed by law-abiding people.

2. The Representative Case

The preservation of just weights and measures in the Mosaic Covenant was important for symbolic reasons as well as economic reasons. As a case law, it represented a wider class of crimes. It was important in itself: prohibiting theft through fraud. But there was something unique about the case law governing weights and measures: it was representative of injustice in general. "Ye shall do no unrighteousness in judgment, in meteyard, in weight, or in measure." The language of unrighteousness and judgment has a wider application than merely economic transactions. "Ye shall do no unrighteousness in judgment: thou shalt not respect the person of the poor, nor honour the person of the mighty: but in righteousness shalt thou judge thy neighbour" (Lev. 19:15). This states the fundamental principle of all biblical justice.

To understand why weights and measures were representative of civil justice in general, we need to understand what was involved in the specific violation. The seller could better afford the specialized weighing equipment of his trade than the individual buyer could. He was therefore in a position to cheat the buyer by rigging the equipment. But the narrowly defined crime of using rigged measures was representative of the whole character of the civil order: a violation of justice at the most fundamental level. Analogous to the businessman, the judge was not to use his specialized skills or his authority to rig any case against one of the disputants. The legal structure was regarded as a specialized piece of equipment, analogous to a scale. No one in charge of its operations was allowed to tamper with this system in order to benefit any individual or class of individuals. To do so would constitute theft. Injustice is seen in the Bible as a form of theft. This was Samuel's message to Israel.

> And Samuel said unto all Israel, Behold, I have hearkened unto your voice in all that ye said unto me, and have made a king over you. And now, behold, the king walketh before you: and I am old and grayheaded; and, behold, my sons are with you: and I have walked before you from my childhood unto this day. Behold, here I am: witness against me before the LORD, and before his anointed: whose ox have I taken? or whose ass have I taken? or whom have I defrauded? whom have I oppressed? or of whose hand have I received any bribe to blind mine eyes therewith? and I will

> restore it you. And they said, Thou hast not defrauded us, nor oppressed us, neither hast thou taken ought of any man's hand. And he said unto them, The LORD is witness against you, and his anointed is witness this day, that ye have not found ought in my hand. And they answered, He is witness (I Sam. 12:1–5).

Injustice is also linked with false weights and measures. Isaiah made all these connections clear in his initial accusation against the rulers of Israel: "Thy silver is become dross, thy wine mixed with water: Thy princes are rebellious, and companions of thieves: every one loveth gifts, and followeth after rewards: they judge not the fatherless, neither doth the cause of the widow come unto them" (Isa. 1:22–23). False measures in silver and wine; princes in rebellion against God but companions of thieves; universal bribe-seeking; oppression of widows and orphans: all are linked in God's covenant lawsuit brought by the prophet. It was all part of a great spiritual apostasy—an apostasy that would be reversed by the direct intervention of God: "Therefore saith the Lord, the LORD of hosts, the mighty One of Israel, Ah, I will ease me of mine adversaries, and avenge me of mine enemies: And I will turn my hand upon thee, and purely purge away thy dross, and take away all thy tin: And I will restore thy judges as at the first, and thy counsellors as at the beginning: afterward thou shalt be called, The city of righteousness, the faithful city" (Isa. 1:24–26). When the rulers of Israel's northern kingdom remained unwilling to enforce God's law representatively, generation after generation, God raised up Assyria to bring corporate negative sanctions for Him (Isa. 10:5–6).

Because weights and measurements are representative of the moral condition of society in general, the prophets used the metaphor of weights and measures in bringing their covenant lawsuits against individuals and nations. The Psalmist had set the example: "Surely men of low degree are vanity, and men of high degree are a lie: to be laid in the balance, they are altogether lighter than vanity" (Ps. 62:9). Micah castigated the whole society, warning of judgment to come, for they honored "the statutes of Omri" and did the works of his son Ahab (Mic. 6:16).

> The LORD's voice crieth unto the city, and the man of wisdom shall see thy name: hear ye the rod, and who hath appointed it. Are there yet the treasures of wickedness in the house of the wicked, and the **scant measure** that is abominable? Shall I count them pure with the **wicked balances**, and with the bag of **deceitful weights**? For the rich men thereof are full of

> violence, and the inhabitants thereof have spoken lies, and their tongue is deceitful in their mouth (Mic. 6:9–12).

The essence of their rebellion, Micah said, was the injustice of the civil magistrates: "The good man is perished out of the earth: and there is none upright among men: they all lie in wait for blood; they hunt every man his brother with a net. That they may do evil with both hands earnestly, the prince asketh, and the judge asketh for a reward; and the great man, he uttereth his mischievous desire: so they wrap it up" (Mic. 7:2–3).

Daniel's announcement to the rulers of Babylon regarding the meaning of the message of the handwriting on the wall is perhaps the most famous use in Scripture of the imagery of the balance. "And this is the writing that was written, MENE, MENE, TEKEL, UPHARSIN. This is the interpretation of the thing: MENE; God hath numbered thy kingdom, and finished it. TEKEL; Thou art weighed in the balances, and art found wanting. PERES; Thy kingdom is divided, and given to the Medes and Persians" (Dan. 5:25–28). Corrupt measures are a token—representative—of moral corruption. To be out of balance judicially is to be out of covenantal favor. The representative civil transgression in society is the adoption of false weights and measures.

C. Intuition and Measurement

"Add a pinch of salt." How many cooks through the centuries have recommended this unspecific quantity? There are cooks who cannot cook with a recipe book, but who are master chefs without one. Their skills are intuitive, not numerical. This is true in every field.

1. Analogical Reasoning

There are limits to measurement because there are limits to our perception. There are also limits on our ability to verbalize or quantify the measurements that we perceive well enough to act upon. Oskar Morgenstern addressed this problem in the early paragraphs of his classic book, On the Accuracy of Economic Observations.[9] Our economic knowledge is inescapably a mixture of objective and sub-

9. Oskar Morgenstern, *On the Accuracy of Economic Observations*, 2nd ed. (Princeton, New Jersey: Princeton University Press, 1963). Morgenstern wrote a book on game theory with John von Neumann, one of the most gifted mathematicians of the twentieth century. Morgenstern was aware of the limits of mathematics as a tool of economic analysis. A more recent treatment of the problem is Andrew M. Kamarck's *Economics and the Real World* (Philadelphia: University of Pennsylvania Press, 1983). See also Thomas Mayer, *Truth versus Precision in Economics* (Hampshire, England: Elgar, 1993).

jective knowledge.[10] That is to say, we think as persons; we are not computers. We do not think digitally. We think analogically, as persons made in God's image. We are required to think God's thoughts after Him. To do this, we need standards provided by God that are perceptible to man. God has given us such standards (point three of the biblical covenant model). We also need to exercise judgment in understanding and applying them (point four). This judgment is not digital; it is analogical: thinking God's thoughts after Him. We are required by God to assess the performance of others in terms of God's fixed ethical and judicial standards.

In order to achieve a "fit" between God's standards and the behavior of others, we must interpret God's objective law (a subjective task), assemble the relevant objective facts (a subjective task), discard the irrelevant objective facts (a subjective task), and apply this law to those facts (a subjective task). The result is a judicially objective decision. At every stage of the decision-making or judgment-rendering process, there is an inescapably personal element, for which we are held personally responsible by God.[11]

2. Objective Facts Interpreted Subjectively

When we speak of objective facts, we often invoke the language of physical measurement. This is because we think analogically. Making subjective judgments is analogous to measuring things objectively. Yet we never measure things objectively, meaning exclusively objectively. It is men who do the measuring, and men are not machines—

10. Morgenstern wrote: "All economic decisions, whether private or business, as well as those involving economic policy, have the characteristic that quantitative and non-quantitative information must be combined into one act of decision. It would be desirable to understand how these two classes of information can best be combined. Obviously, there must exist a point at which it is no longer meaningful to sharpen the numerically available information when the other, wholly qualitative, part is important, though a notion of its 'accuracy' or 'reliability' has not been developed. . . . There are many reasons why one should be deeply concerned with the 'accuracy' of quantitative economic data and observations. Clearly, anyone making use of measurements and data wishes them to be accurate and significant in a sense still to be defined specifically. For that reason a level of accuracy has to be established. It will depend first of all on the particular purpose for which the measurement is made. . . . The very notion of accuracy and the acceptability of a measurement, observation, description, count—whatever the concrete case might be—is inseparably tied to the use to which it is to be put. In other words, there is always a theory or model, however roughly formulated it may be, a purpose or use to which the statistic has to refer, in order to talk meaningfully about accuracy. In this manner the topic soon stops being primitive; on the contrary, very deep-lying problems are encountered, some of which have only recently been recognized." Morgenstern, *Accuracy*, pp. 3–4.

11. See Appendix E.

and even machines have limits of perception. We ask: "Is the balance even?" "Is the bubble in the level equidistant between two points?" At some point, we say: "It's a judgment call." Analogously, we ask of other men's offers: "Is this on the level?" Discovering the answer is a judgment call: an evaluation based on one's observation of something that is beyond the limits of one's ability to perceive distinctions.

Consider the task of an umpire or referee in any sport. He is a person. He makes judgment calls. In modern philosophy, we find that the major schools of thought are analogous to the umpire's standard explanations of his decision. In baseball, the umpire "calls a strike." He announces that the pitched baseball passed within the strike zone of the batter's body (a variable in terms of his height) and above home plate. The batter protests. It was a "ball," he insists: either outside his strike zone or not above home plate. The umpire offers one of three answers. These three answers are expressions of the three dominant views of Western epistemology.

"I call 'em as they are." (Newton)
"I call 'em as I see 'em." (Hume)
"They are what I call 'em." (Kant)[12]

To make a biblically valid judgment regarding the public record of the event under scrutiny, judges must perceive the limits of the law and the limits of the records. The public record of the event must reveal (represent) an act that took place within the "strike zone" of God's law. The actor must clearly have violated that zone—that boundary—of God's law. In the language of the common law courts, it must have violated that boundary "beyond reasonable doubt." The language of the law is imprecise here because the act of rendering judgment is imprecise. Yet juries decide, judges hand down punishments, and society goes on.

3. Intuition and Creation

Intuition cannot be verbalized, catalogued, or quantified, for by definition it possesses no rational structure, but it exists nevertheless. Every philosophical system ultimately must appeal to intuition to bridge the chasm between mind and events.[13] Without such a bridge,

12. There is a fourth possible reply: "Shut up. You're only a figment of my imagination." (Berkeley)

13. For case studies of this assertion in the field of economics, see Gary North, "Economics: From Reason to Intuition," in North (ed.), *Foundations of Christian Scholarship: Essays in the Van Til Perspective* (Vallecito, California: Ross House Books, 1976), ch. 5.

according to humanists, human choice and therefore personal responsibility disappear into one of three kinds of universe: a chaotic cosmos, a deterministic cosmos of mechanical-mathematical cause and effect, or a dialectical cosmos: mechanism infused by randomness, and vice versa.[14] (All three are said to be governed by the second law of thermodynamics and are headed for the heat death of the universe.)[15]

There is a fourth possibility: a covenantal, providential, created cosmos. Here is the biblical solution to the problem of human knowledge: the doctrine of creation. The world was created by God so that men, made in God's image, may exercise dominion over it. This theory of knowledge also relies on intuition: biblically informed intuition. Intuition is an inescapable concept. It is never a case of "intuition vs. no intuition." It is always a case of whose intuition according to whose standards.

Spiritual maturity is the ability to make biblically well-informed judgments. Christians must presume that intuitive judgments that come after years of studying God's Bible-revealed laws and making decisions in terms of them will be more reliable—i.e., more pleasing to God—than intuitive judgments that come from other traditions or that are the products of unsystematic approaches. There is no way to test the accuracy of this presumption except by observing God's sanctions in history on those groups that are under the authority of specifically covenanted judges.[16]

D. Objective Standards

God has decreed everything that happens. History happens exactly as He decreed it. He evaluates it, moment by moment, in terms of His permanent standards. This judgment is objective because God makes it, and it is subjective because God makes it.

1. Subordination

Man is responsible for thinking God's thoughts after Him. Man must obey God by conforming his thoughts and actions to God's law. Men do not have the ability to read God's mind (Deut. 29:29),

14. James Gleick, *Chaos: Making a New Science* (New York: Viking, 1987).

15. Gary North, *Is the World Running Down? Crisis in the Christian Worldview* (Tyler, Texas: Institute for Christian Economics, 1988), ch. 2.

16. If God's sanctions in history are random in the New Covenant era, as Meredith G. Kline insists that they are, then there is no way to test this presumption. Intuition-based decisions would become as random in their effects as God's historical sanctions supposedly are.

but they do have the ability to obey. Men do not issue valid autonomous decrees, nor does history follow such decrees. God proposes, and then God disposes.[17]

The same is true of weights and measures. There are objective standards, and these are known perfectly by God. This knowledge is a mark of His sovereignty. "Who hath measured the waters in the hollow of his hand, and meted out heaven with the span, and comprehended the dust of the earth in a measure, and weighed the mountains in scales, and the hills in a balance?" (Isa. 40:12). Man must seek to conform his actions and judgments to these objective standards. He does so by discovering and adopting fixed standards. Physical standards are the most readily enforced. The archetypical standards are weight and measure. Even the passage of time is assessed by means of a measure. In earlier centuries, these measures were frequently governed by weight, such as water clocks or hourglasses filled with sand.[18] Measures have be perfected over time, most notably measurements of time itself.[19] As measures improve, buyers and sellers benefit: reduced uncertainty.

Occult man sees ritual as a means of gaining supernatural power for himself. Christian man sees ritual as a means of worshiping God and gaining dominion over himself and his environment, to the glory of God. Similarly, occult man sees measurement as a means of obtaining supernatural power.[20] Christian man sees measurement as a tool of dominion, beginning with self-dominion. The West is the product of such a view of measurement. A man wearing a wristwatch is someone under the influence of the Christian view of time. In the

17. The radical humanism of Marx's partner Frederick Engels can be seen in his statement that "when therefore man no longer merely proposes, but also disposes—only then will the last alien force which is still reflected in religion vanish; and with it will also vanish the religious reflection itself, for the simple reason that then there will be nothing left to reflect." Engels, *Herr Eugen Dühring's Revolution in Science* (Anti-Dühring) (1878), in Karl Marx and Frederick Engels, *Collected Works* (New York: International Publishers, 1987), vol. 25, p. 302.

18. The sun dial was an exception, but it could not be used at night or on cloudy days.

19. It can be persuasively argued that improvements in the measurement of time in the late medieval and early modern eras were the most important physical advances in the history of Western Civilization, without which few of the other advances would have been likely. See David S. Landes, *Revolution in Time: Clocks and the Making of the Modern World* (Cambridge, Massachusetts: Belknap/Harvard University Press, 1983).

20. The design and construction of the Cheops pyramid stands as the most stupendous surviving manifestation of this faith in weight and measure. See (with reservations) Peter Tompkins, *Secrets of the Great Pyramid* (New York: Harper Colophon, [1971] 1978); Piazzi Smyth, *The Great Pyramid: Its Secrets and Mysteries Revealed*, 4th ed.(New York: Bell, [1880] 1978).

ancient pagan world, priests were the monopolists of calendars; this control was a major factor in maintaining their power.[21] In the West, very few educated people understand the details of the astronomical basis of calculating time, let alone modern cesium atom clocks, but virtually everyone has ready access to a calendar and a clock with an alarm. No longer does an elite priesthood exercise power through its monopolistic knowledge of the astronomical calendar. The advent of cheap printed calendars transferred enormous power to the individual.[22] Cheap calendars and clocks decentralized power, but thereby made individuals more responsible for the use of time, man's only irreplaceable resource.

The universality of personal time pieces makes it impossible for employers or sellers to cheat large numbers of people regarding time. Because access to information is cheap, time-cheating becomes more difficult. In fact, the employee is far more able to cheat the employer.[23] The employee is the seller of services. If he is paid by the hour, he is tempted to find ways to collect his pay without delivering the work expected from him. The salaried employee cheats more easily on his time account; the commissioned salesman cheats more easily on his expense account.

2. Specialized Knowledge

The biblical law of weights and measures teaches that the seller—the receiver of money—is identified as legally responsible. This requires an explanation. The buyer (consumer) has legal control over the distribution of the most marketable commodity: money. He possesses greater flexibility and therefore greater economic authority in the overall economy. We speak of consumer's sovereignty in a free market.[24] Then why is the seller singled out by biblical law as the

21. This was especially true of ancient agricultural dynasties that were dependent on rivers. Karl Wittfogel, *Oriental Despotism: A Comparative Study of Total Power* (New Haven, Connecticut: Yale University Press, [1957] 1964), pp. 29–30. For an extraordinary examination of ancient man's priestly mastery of both astronomy and time, see Giorgio de Santillana and Hertha von Dechend, *Hamlet's Mill: An essay on myth and the frame of time* (Boston: Gambit, [1969] 1977).

22. Benjamin Franklin made himself famous throughout the American colonies with *Poor Richard's Almanack*.

23. The most graphic recent examples of such cheating in the modern office are computer games that allow a player to tap a key on the keyboard so that a fake spreadsheet appears on the screen. When a supervisor approaches the player, he taps the key, and it then appears as though he has been studying some intricate aspect of the business: above all, a numerical aspect.

24. See below, "Competition and the Margins of Cheating."

potential violator? Doesn't greater responsibility accompany greater authority (Luke 12:47–48)?[25]

The legal question must be decided in terms of comparative authority in specific transactions, not comparative authority in the economy generally. A seller of goods and services possesses highly specialized knowledge regarding his market. Cheating by a seller of goods and services is therefore more likely than cheating by a buyer, because the seller has an advantage in information. This is why biblical law singles out weights and measures as the representative implements of justice. Physical implements of measurement can be created more easily than other kinds of evaluation devices. The existence of a precise (though never absolute) physical standard makes it relatively easy to create close approximations for commercial use.[26] The availability of devices and techniques to specialists employed as agents of the civil government, in the name of the buyers, allows the operation of checks and balances on the checks and balances. The state therefore has a greater ability to police the sellers in this area than in most other areas.

On what biblical basis can magistrates police weights and measures? Where is the victim? Where is the court case? The problem here is analogous to the problem of measuring pollution or noise. The victims are not easy to identify, for they may not know that they have been cheated. The extent of the cheating cannot easily be ascertained by the victims in retrospect. The cost of gathering this information is too high. As a cost-saving measure (the language of measurement is inescapable) for past victims and potential victims, the state imposes public standards, and sellers are required to conform. As in the case of protecting potential victims of speeding automobiles, the state establishes boundaries in advance. The police impose negative

25. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 28.

26. The United States National Bureau of Standards (founded in 1901, but in principle authorized by the United States Constitution of 1787) establishes key lengths by using a platinum-iridium bar stored at a specific temperature. This, in turn, is based on a not quite identical bar stored by the International Bureau of Weights and Measurements in Sèvres, France. These bars do not match. Also, when cleaned, a few molecules are shaved away. Scientists now prefer to measure distance in terms of time and the speed of light. A meter is defined today as the distance a light particle travels in one 299,792,458th of a second. Time is measured in terms of the number of microwave-excited vibrations of a cesium atom particle when excited by a hydrogen maser. One second is defined as the time that passes during 9,192,631,770 cesium atomic vibrations. Malcolm W. Browne, "Yardsticks Almost Vanish As Science Seeks Precision," *New York Times* (Aug. 23, 1993).

sanctions for violations of speed limits, even though the speeder's victims have not publicly complained against this particular speeder. The speeding driver did increase the statistical risks of having an accident, so there were victims.[27] They are represented by the police officer who catches the speeder.[28]

E. Competition and the Margins of Cheating

The International Bureau of Standards was established by the General Conference on Weights and Measures in 1875. National governments covenanted with each other by the Treaty of the Meter. The nations' governments are pledged to honor the standards agreed upon. These standards did not originate in 1875, however, nor did they originate with civil government. It does not require a treaty to establish such standards. There can be official standards, but unofficial standards are far more widespread. The free market can and does establish such standards. In fact, the more technologically innovative a society is, the less likely that a civil government will be the primary creator or enforcer of the bulk of the prevailing standards. When it comes to establishing standards, the state's salaried bureaucrats are usually playing catch-up with profit-seeking innovators. The market establishes initial standards. Bureaucrats then ratify them by committee.

1. Standards and Boundaries

All standards have boundary ranges. Market standards are likely to be less precise technically than civil standards, for participants in markets understand that the development, selection, and enforcement of standards are not cost-free activities. The degree of variance from a precise model or standard depends upon the costs and benefits of enforcement. It also depends on the locus of sovereignty of such enforcement: the consumers. In a free market, it is the buyer of goods and services (i.e., the seller of money) who is sovereign, not the seller of goods and not the state. The consumer has greater economic flexibility to take his money elsewhere than the entrepreneur or politician does. That is to say, the cost to him of seeking and obtaining an alternative offer for what he wants to sell (money) is normally far

27. North, *Authority and Dominion*, ch. 41:B.

28. Fines should be used to set up a restitution fund to pay victims of drivers who are not subsequently arrested and convicted. Idem. The history of civil law in the West since the Norman Conquest of England in 1066 has been the substitution of fines for restitution: Bruce L. Benson, *The Enterprise of Law: Justice Without the State* (San Francisco: Pacific Research Institute for Public Policy, 1990), ch. 3.

lower than the cost to the seller of specialized goods or services to seek and obtain an alternative offer. The seller of money has maximum liquidity. Money has been accurately defined by Mises as the most marketable commodity;[29] hence, the consumer, as the seller of money, is sovereign economically.

The seller uses implements to make measurements. No seller can do without such implements, even if he is selling services. At the very least, he will use a clock. The seller is warned by God to make sure that he uses these implements consistently as he goes about his business. Yet this is not quite true. The seller is not to supply less than the standard determines; he may lawfully give more. If he gives any buyer less than he has said he is giving, he steals from him. If he gives a buyer more than he says, he is not stealing. He is offering charity, or giving a gift, or being extra careful, or building good will to increase repeat sales. So, the business owner is allowed to give more than he has indicated to the buyer that the buyer will receive; he is not allowed to give less. The seller need not tell the buyer that he is giving an extra amount, but he is required to tell him if he is giving less.[30] The boundary, therefore, is a seller's floor rather than a ceiling.

Sellers compete against sellers; buyers compete against buyers. This is the fundamental principle of free market competition, one which is not widely understood. The buyer is playing off one seller against another when he bargains, even if the second seller is a phantom;[31] the seller is playing off buyer against buyer. Buyers compete directly against sellers only when both of them have imperfect information regarding the alternatives. No one knowingly pays one ounce of silver for something that is selling next door for half an ounce. The seller will not sell something to a buyer at a low price if he knows that another buyer is waiting in line to buy at a higher price. Neither will a buyer buy at a high price if he knows that another seller waits across the hallway to sell the same item at a lower price.

This being the case, it should be obvious why sellers who use false scales find themselves pressured by market forces to re-set their scales closer to the prevailing market standard. Their competitors provide a greater quantity of goods and services for the same price. It may

29. Ludwig von Mises, *The Theory of Money and Credit* (New Haven, Connecticut: Yale University Press, [1912] 1953), pp. 32–33.

30. manager or employee must be precise: to give more is to steal from the owner; to give less is to steal from the buyer.

31. The phantom buyer may walk in this afternoon. The seller is not sure. Neither is the buyer.

take time for word to spread, but it does spread. Buyers like to brag about the bargains they have bought. Even though their tales of bargains increase the number of competing buyers at bargain shops, and therefore could lead to higher prices in the future, they do like to brag. This bragging gets the word out.[32] A seller who consistently sets his scales below the prevailing competitive standard risks losing customers. This pressure does not mean that all or even most scales will be set identically, but it does lead to a market standard of cheating: competitive boundaries. The better the information available to buyers, the narrower the range of cheating. None of this assumes the existence of a standard enforced by civil government.

2. The Scales of Justice

Much the same is true of the scales of civil justice. Word spreads about the availability of righteous civil justice. If there is open immigration, as there was supposed to be in Mosaic Israel, it is possible for those suffering injustice to seek justice elsewhere. (This is a major advantage of federalism: those living in one state can move to another if they disapprove of the prevailing local situation. This allows the testing of ideas regarding the proper role of civil government.) The Bible assumes that word about national justice does spread:

> Behold, I have taught you statutes and judgments, even as the LORD my God commanded me, that ye should do so in the land whither ye go to possess it. Keep therefore and do them; for this is your wisdom and your understanding in the sight of the nations, which shall hear all these statutes, and say, Surely this great nation is a wise and understanding people. For what nation is there so great, who hath God so nigh unto them, as the LORD our God is in all things that we call upon him for? And what nation is there so great, that hath statutes and judgments so righteous as all this law, which I set before you this day? (Deut. 4:5–8)[33]

The existence of a righteous nation in the midst of a fallen world of nations can lead to a competitive uplifting of civil justice in those nations that experience a net migration out. Emigration pressures un-

32. There are limits to this. If the buyer has found an exceptionally inexpensive seller, especially a small, local seller who may be ill-informed about market demand, and if he expects to return to make additional purchases, he may not say anything to potential competitors. He does not want to let the seller know that there are many buyers available who are willing to pay more. There is a "bragging range." That is, there are boundaries on the spread of accurate information. Accurate information is not a free good.

33. Gary North, *Inheritance and Dominion: An Economic Commentary on Deuteronomy*, 2nd ed. (Dallas, Georgia: Point Five Press, [1999] 2012), ch. 8.

just nations to revise their judicial standards. This is why totalitarian regimes place barriers at their borders. The threat of the loss of "the best and the brightest," also known as the brain drain, is too great. The barbed wire goes up to place a boundary around the "ideological paradises."

The tearing down of the Berlin Wall in late 1989 was a symbolic event that shook Europe. It was the visible beginning of the rapid end of the legacy of the French Revolution of 1789: left-wing Enlightenment humanism. We can date the end of that tradition in the West: August 21, 1991, when the Soviet Communist coup begun on August 19 failed. Boris Yeltsin and his associates sat in the Russian Parliament building for three days, telephoning leaders in the West, sending and receiving FAX messages, sending and receiving short wave radio messages, and ordering deliveries of Pizza Hut pizza. So died the French Revolutionary tradition. Sliced pizza replaced the guillotine's sliced necks. It was a sign that the economically devastating effects of Marxist socialism were the inevitable product of injustice.[34] People in Marxist paradises wanted to escape. Given the opportunity, they would "vote with their feet." With the Berlin Wall down, there was an immediate exodus from East Germany. Simultaneously, Western justice began to be imported by East Germany. This leavening effect was positive. Within months, East and West Germany were legally reunited.

For this emigration process to serve as a national leaven of righteousness, there must be sanctuaries of righteousness. There must be just societies that open their borders to victims of injustice, in-

34. This was the message of F. A. Hayek in his book, *The Road to Serfdom* (1944), which became an international best-seller. Western intellectuals scoffed at its thesis for over four decades, though in diminished tones after 1974, when he won the Nobel Prize in economics. The scoffing stopped in 1989 with the fall of the Berlin Wall and the collapse of the Soviet Union's economy. A few months before he died in 1992, Hayek was awarded the United States medal of freedom. He had outlived the Soviet Union. He also had outlived most of the original scoffers. As he told me and Mark Skousen in an interview in 1985, he had never believed that he would live to see the acclaim that came to him after 1974. (Few men who move against the intellectual currents of their eras live long enough to see such vindication. He died in March, 1992, at the age of 92, receiving international acclaim: "In praise of Hayek," The Economist (March 28, 1992); John Gray, "The Road From Serfdom," *National Review* (April 27, 1992). As The Economist noted, "In the 1960s and 1970s he was a hate-figure for the left, derided by many as wicked, loony, or both." By 1992, no one remembered such scurrilous attacks as Herman Finer's *The Road to Reaction* (1948). Milton Friedman, who was on the same University of Chicago faculty as Hayek and Finer, wrote that Hayek "unquestionably became the most important intellectual leader of the movement that has produced a major change in the climate of opinion." *National Review*, op. cit., p. 35.

cluding economic oppression. This is what Mosaic Israel offered the whole ancient world: sanctuary. This was God's means of pressuring unrighteous nations to become more just. He imposed a cost on evil empires: the loss of productive people to Israel.

On the other hand, widespread immigration can pressure a just society to become less just if the newcomers gain political authority. If they are allowed to vote, they will seek to change some aspects of the sanctuary nation's legal structure. For example, they may seek to legislate compulsory welfare payments: politically coerced subsidies paid to immigrants by the original residents.[35] It is not God's intention to pay for a rising standard of justice in evil empires by means of falling standards of justice in covenanted sanctuary nations. His goal is to raise standards of justice everywhere. So, political pluralism is prohibited by God's law. Suffrage (the vote) is by covenantal affirmation and church membership, not mere geographical residence. This is why the biblical concept of sanctuary requires a biblical judicial boundary: covenantal citizenship.[36]

If justice produced indeterminate economic effects, and if injustice produced indeterminate economic effects, there would be no economic pressure on totalitarian regimes to tear down the boundary barriers. But justice does not produce indeterminate economic effects. Similarly, if the social world were what Meredith G. Kline insists that it is—a world in which God's visible sanctions in history are indeterminate for both covenant-keeping and covenant-breaking—then there could be no historical resolution of the competition between civil righteousness and civil perversity. This quasi-Manichean conclusion is the implicit and sometimes explicit assumption of amillennialism.[37] The leaven of justice in such a world would have no advantage over the leaven of injustice. But there is no neutrality in life; in a world of totally depraved men, such cultural neutrality could not be maintained for long. The leaven of evil would triumph. Yet it does not triumph, long term. Pharaonic tyrannies have all collapsed or become culturally impotent over the centuries. This fact testifies to mankind that God's sanctions in history are not indeterminate. Honesty really is the best policy, as Ben Franklin long ago insisted. In the competition between good and evil, the leaven of righteousness

35. Gary North, "The Sanctuary Society and Its Enemies," *Journal of Libertarian Studies*, 13 (Summer 1998), pp. 205–19.

36. North, *Political Polytheism*, ch. 2.

37. North, *Millennialism and Social Theory*, pp. 76–92; ch. 5.

spreads as time goes on. Its visible results are so much better (Lev. 26:1–13; Deut. 28:1–14).

3. The Forces of Competition

The tremendous pressure of international economic competition cannot be withstood for long. It brought down Soviet Communism. Marxist tyrannies could not gain the economic fruits of righteousness without the moral roots.[38] They could not permit a modern economy based on computers, data bases, FAX machines, and rationally allocated capital in their rigged, corrupt, fantasy world of central economic planning and fiat money.[39] The reality of the Russian workers' saying under Communism could not be suppressed forever: "We pretend to work, and they pretend to pay us." That inescapable reality led to a falling standard of living and the eventual collapse of European Communism.

The international free market has no universally enforceable standards of weights and measures, yet it operates more successfully than any other economic system in history. Private arbitration sometimes is invoked. Usually, national standards are closely observed by market participants. There are great and continuing debates over which standards should be adopted internationally, especially as international trade increases. But even without formal political resolutions to these debates, the international market continues to flourish. In the medieval world, there was an internationally recognized "law merchant," and it has been revived in modern times.[40]

4. Gresham's Law

But what about Gresham's Law? "Bad money drives out good."[41] This is the pessimillennial view of history as applied to monetary the-

38. Konstantin Simis, *USSR: The Corrupt Society: The Secret World of Soviet Capitalism* (New York: Simon & Schuster, 1982).

39. On the truly fantastic nature of the Soviet economy, see Leopold Tyrmand, *The Rosa Luxemburg Contraceptives Cooperative: A Primer on Communist Civilization* (New York: Macmillan, 1972).

40. Benson, *Enterprise of Law*, pp. 30–35, 62, 224–27. See also Harold J. Berman, *Law and Revolution: The Formation of the Western Legal Tradition* (Cambridge, Massachusetts: Harvard University Press, 1983), ch. 11. The Jews who dominate the international diamond trade make bargains without public contracts, and they never appeal to the state to settle disputes. These merchants have their own courts that settle disputes. It seems likely that they do not pay income taxes on every profitable trade.

41. "Bad money drives out good money," the law really states. Yet in a very real sense, the familiar formulation is correct: bad money does drive out good. It creates black markets, cheating, and many other evils.

ory. But Gresham's Law is misleading. It has an implied condition, but only people who understand economics recognize the unique nature of this condition. The law only applies when a civil government establishes and enforces a price control between two kinds of money. Then the artificially overvalued money remains in circulation, while the artificially undervalued money goes into hoards, into the black market, or is exported. Bad money drives out good money only when governments pass laws that attempt to override the free market's assessment of relative monetary values. This is not to say that there should not be civil laws against counterfeiting, but it does mean that counterfeiters must be very skilled to compete in a free market order.

The same is true of religion. Christians contend with cults, but cults are imitations of Christianity. Today, we see no fertility cults that self-consciously imitate the older Canaanite religions. Bacchanalia festivals are no longer with us, at least not in a self-consciously cultic form.[42] New Age advocates may seem numerous, especially in Hollywood and New York City, but there are very few openly New Age congregations of the faithful. Religious counterfeits must take on the characteristic features of Christianity in order to extend their influence beyond traditional borders. The rites of Christianity have many imitations around the globe, but the rites of Santeria do not.[43]

A wise counterfeiter will not try to pass a bill that has a picture of Marilyn Monroe on it. Successful counterfeits in a competitive market must resemble the original. This is why there is, over time, a tendency for covenant-breakers to conform themselves to the external requirements of God's law until they cannot stand the contradiction in their lives any longer.[44] Then they rebel, and God imposes negative sanctions, either through His ordained covenant representatives or through the creation.[45]

F. A Final Sovereign

The Bible identifies judges as covenantal agents of God. Unlike the free market, where consumers are sovereign, the state requires a voice of final earthly authority. This does not mean that one person or one

42. Mardi Gras and Carnival are holdovers of chaos festivals.

43. Bill Strube, "Possessed with Old Fervor: Santeria in Cuba," *The World & I* (Sept. 1993). This African-Cuban voodoo cult is closely associated with homosexuality. Ibid., p. 254.

44. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1987), ch. 6.

45. *Ibid.*, ch. 8.

institution has final authority. Biblically, no institution or person possesses such authority in history; only the Bible does. But there must be someone who announces "guilty" or "not guilty." Someone must impose the required sanctions. Civil sanctions are imposed by the state.

This means that legal standards must not fluctuate so widely that men cannot make reasonable predictions about the outcome of trials. If there is no predictability of the outcome, then there will be endless trials. Conflicting parties will not settle their disputes before they enter the courtroom. A society should encourage predictable outcomes; otherwise, individuals cannot be confident about receiving what the law says they deserve.[46] It is because the outcomes of trials are reasonably predictable that conflicts are settled before they come to trial.

Hayek's comments in this regard are extremely relevant. He announced a conclusion, one based on decades of study of both economic theory and legal history: "There is probably no single factor which has contributed more to the prosperity of the West than the relative certainty of the law which has prevailed here. This is not altered by the fact that complete certainty of the law is an ideal which we must try to approach but which we can never perfectly attain." He then went on to make this observation, one that relies on the concept of the thing not seen: "But the degree of the certainty of the law must be judged by the disputes which do not lead to litigation because the outcome is practically certain as soon as the legal position is examined. It is the cases that never come before the courts, not those that do, that are the measure of the certainty of the law."[47] In other words, self-government is basic to all government, but predictable law, predictable enforcement, and predictable sanctions must reinforce self-government if a society is to remain productive. The clogged courts of the United States in the final third of the twentieth century were testimonies to the breakdown of the certainty of civil law, as well as to the effects of tax-financed law schools that had produced over 700,000 lawyers.[48]

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46. "Agree with thine adversary quickly, whiles thou art in the way with him; lest at any time the adversary deliver thee to the judge, and the judge deliver thee to the officer, and thou be cast into prison" (Matt. 5:25). Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 8.

47. F. A. Hayek, *The Constitution of Liberty* (Chicago: University of Chicago Press, 1960), p. 208.

48. In the case of lawyers, Say's famous law holds true: production creates its own demand. The old story is illustrative: when only one lawyer lives in town, he has little work. When another lawyer arrives, they both have lots of work from then on.

1. Justice in Flux

There is little doubt that the proliferation of lawyers in the United States in the latter years of the twentieth century was a sign of a major breakdown of its moral and legal order. In 1990, there were 18 million civil cases in the United States: one case per 10 adult Americans. The United States in 1990 had some 730,000 lawyers—70% of the world's total. In 1990, Japan had 11 lawyers per 100,000 in population; the United Kingdom, 82; Germany, 111; the United States, 281. Japan had 115 scientists and engineers per lawyer; United Kingdom, 14.5; Germany, 9.1; United States, 4.8. Economic output per hour, 1973–90: Japan, 4.4%; United Kingdom, 3.3% Germany, 2.8%; United States, 2.3%.[49] The idea that the state can provide perfect justice is a costly myth.[50]

After 1870, throughout the West, the view of the state as an agency of compulsory salvation spread. It escalated rapidly after 1900, when Social Darwinism moved from its "dog-eat-dog" phase to its state-planned evolution phase.[51] Wheaton College economics professor P. J. Hill described the process: the decline of predictable law and the rise of the transfer society. "The idea of the transfer society is a society where property rights are up for grabs."So many people start grabbing.

> We've become a society in which the rules are in flux, thereby prodding people to spend a large amount of their time and resources trying to change the rules to their benefit. Our book[52] argues that in the beginning the Constitution was a set of rules for a few areas that pretty much encouraged the entrepreneurial type of person to go out and make better mousetraps, to create wealth. Somewhere around the 1870s the constitutional climate started changing dramatically, not by call amendment but by interpretation. The Constitution became interpreted in a more casual way. There was a rise in what we "reasonable regulations;" the Supreme Court said the state legislatures could pass any sort of regulations they wanted about economic affairs so long as they were "reasonable."
>
> That meant, of course, that people spent a lot of time trying to get regulations written to their advantage or to the disadvantage of their competitors, because there was no clear-cut standard. And today almost nothing in the economic arena is unconstitutional. . . .

49. "Punitive Damages," *National Review* (Nov. 4, 1991).

50. Macklin Fleming, *The Price of Perfect Justice* (New York: Basic Books, 1974).

51. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1982] 2012), Appendix A.

52. Peter J. Hill and Terry Anderson, *The Birth of a Transfer Society* (Lanham, Maryland: University Press of America, 1989).

> Today, much of the economic game is in the political arena. It is played by getting rules on your side, or making sure that somebody else doesn't get the rules on their side against you. The action is in Washington, D.C.
>
> It's interesting to look at the statistics of many large companies and see how much of their time goes into lobbying, where their business headquarters are, who the big players are, etc. It turns out that it's just as important to try to make sure that the rules favor you as it is to produce better products. Any society in which the rules are not clearly defined, whatever they are, is at risk. You need a society of stable, legitimate and just rules in order to have people productively engaged.
>
> I would put it this way: Theft is expensive. In a society where theft is prevalent people will put a lot of their efforts into protecting themselves—into locks and police guards, etc.
>
> Government can prevent theft, but can also be an agency of theft. If this is the case, then people will look to government to use its coercive arm to take from other citizens. In such a world of "legal theft" people will devote resources to protecting themselves and to getting government on their side.[53]

2. Open Entry vs. Open Access

Open entry to economic competitors on a free market is not the same thing as open access to political competitors in a civil government. The free market is not a covenantal institution possessing a lawful monopoly as an ordained representative of God. Civil government is. Allowing open access for office-seekers within a single governmental structure is not the same as allowing rival governmental structures within the same sphere of political authority. There has to be a hierarchy of authority, meaning a chain of command, in all three covenantal governments: church, family, and state. There is no such hierarchy in a free market. The consumer's decision is sovereign on a free market: to buy or not to buy. He is not comparably sovereign in a covenantal institution: to obey or not to obey apart from the threat of lawful sanctions. He is under external authority.

Civil government must enforce certain physical standards of measurement, if only for purposes of tax collection. The idea that a free market can provide profit-seeking courts as a complete substitute for the final earthly sovereignty of a civil court (assuming its widespread acceptance by family and church courts) is a myth of libertarianism. The essence of a free market system is that it does not and cannot make final declarations. Why? Because the essence of the free market

53. Hill, "The Transfer Society," pp. 1–2. See also Gary North, "The Politics of the Fair Share," *The Freeman* (Nov. 1993).

is that anyone can step in at any time and announce a higher bid. The market, if it is truly free, cannot legally keep out those who offer higher bids.[54] Therefore, there can be no final, covenantally binding bid in a free market, since the market system allows no appeal to a superior, covenantally binding institution. If voluntary agreements are subsequently broken, there must be an agent economically outside of the free market and judicially above the free market who can sovereignly enforce the terms of the agreement. The free market is open-ended because it offers open entry; open entry is the heart of a free market. The resolution of disputes requires the presence of a representative covenantal agent who can dispense justice in God's name. Disputes are usually resolved before they reach this final declaration, but only because of the presence of this agency of final declaration. This final court of appeal must be able to appeal to a higher court: God's. This means that it must declare God's law.

G. Victim's Rights and Restitution

The fundamental principle of biblical civil jurisprudence is victim's rights. The state is to act as the agent of injured parties. If the injured party is unwilling to prosecute, the state is not to prosecute.[55] Does this mean that the state may not prosecute the seller who is discovered cheating by means of false weights and measures? If not, why not?

There are criminal cases in which there is no identifiable victim. The classic example is the case of a driver who exceeds the speed limit and does not injure anyone, but who thereby imposes risks on other drivers and pedestrians. The state in this case is allowed to impose fines on the convicted speeder. The money should be used to provide restitution for those who are injured by a hit-and-run driver who cannot subsequently be located or convicted.[56]

What about the seller who uses rigged scales? The state cannot prove when this practice began; it can only prove when the practice was discovered. It probably cannot identify who was defrauded. This

54. Biblically, if some offer is inherently immoral, price is irrelevant. Prostitution services aimed at married people can lawfully be suppressed by the state, but not in terms of price. No offer is allowed. There is no open entry, for there is no legal market. Any discussion of whether prostitution is lawful or unlawful between unmarried individuals must begin with the specific case law: "And the daughter of any priest, if she profane herself by playing the whore, she profaneth her father: she shall be burnt with fire" (Lev. 21:9).

55. North, *Authority and Dominion*, Appendix M.

56. *Ibid.*, chaps. 37:D, 41:C.

means that many of the victims cannot sue for damages. Should the seller not suffer negative sanctions?

One possible way to resolve this dilemma is for the state to require the seller to provide discounts for a period of time to all of his past customers. The discount would be determined by the degree of scale-tampering: double restitution. If the scales were 10% off, then he must offer 20% discounts. To make sure he does not simply raise his retail prices before he starts offering the discounts, the state would fix his retail prices as of the day the infraction was discovered. Any customer who could show a receipt from the store would have access to the discounts.

Because of modern packaging and mass production, not many stores would come under this threat. The butcher in the meat section of a supermarket would be one seller whose scales would be basic to the business. But, on the whole, modern technology transfers responsibility back to the companies that sell the packaged products to retail outlets. How, then, could the law be enforced on them? To require them to offer a discount to a retailer does not benefit the consumer; it provides a profit to the retailer. One way would be for those who have receipts for a product to be able to buy that firm's products for a period at a discount. The firm would then be forced to reimburse the retailer for the difference. This is a sales technique used by manufacturers in gaining market share in supermarkets: discount coupons. It could be imposed by the state as a penalty.

This would reward those consumers who save their receipts. If this procedure is too complicated for the victims to be fairly compensated, because of the nature of the product—a "small-ticket item"—then the firm could be required to offer discounts across the board to all future buyers of that specific product for a period of time. The firm would also be required to identify on the packaging of that product an admission of guilt, so that the discounts would not be regarded as an advertising strategy. Finally, the discount reimbursements to retailers would not be tax-deductible as a business expense to the seller.

H. Evangelical Antinomianism and Humanism's Myth of Neutrality

For a scale to operate, it must have fixed standards. If it is a balance scale like the one the famous lady of justice holds, it must have fixed weights in one of its two trays. There is no escape from the covenantal concept of judicial weights. This is the issue of ethical and ju-

dicial standards: point three of the biblical covenant model. Mosaic law stated that within the boundaries of Israel, honest (predictable) weights were mandatory. It did not matter whether the buyer was rich or poor, circumcised or not circumcised: the same weights had to be used by the seller. Israel was to become a sanctuary for strangers seeking justice. The symbol of this justice was the honest scale.

Which judicial standards were mandatory? The Bible is clear: God's revealed law. National Israel was not some neutral sanctuary in which rationally perceived natural law categories were enforced. That unique sanctuary was where biblical law was enforced. Those seeking sanctuary in Israel had to conform to biblical civil law. The metaphorical weights in the tray of civil justice's scale were the Mosaic statutes and case laws.

1. Antinomianism

Because the modern Christian evangelical world is self-consciously and defiantly antinomian—"We're under grace, not law!"—Christians emphatically deny the New Covenant legitimacy of the concept of biblically revealed laws. They assume that men can develop universal, religiously non-specific moral standards in the same way that the world has developed universal physical weights and measurements. They prefer to ignore what the Bible reveals about covenant-breakers: those who hate God love death (Prov. 8:36b). The closer that covenant-breakers get to the doctrine of God, the more perverse they are in rejecting the testimony of the Bible. They interpret God, man, law, sanctions, and time differently from what the Bible specifies as the standard. They affirm rival covenantal standards.

A holy commonwealth would establish the law of God as the civil standard, but modern evangelical Christians hate the revealed law of God above every other system of law. First, they affirm as the binding standard the myth of neutrality: religiously neutral natural law. Second, they affirm their willingness to submit themselves to any system of law except biblical law. They announce: "A Christian can live peacefully under any legal or political system," with only one exception: biblical law. Modern Christians see themselves as perpetual strangers in the perpetual unholy commonwealths of covenant-breaking man. They deny that liberty can be attained under God's Bible-revealed law. God's revealed law, they insist, is the essence of tyranny. They seek liberty through religious neutrality: the rule of anti-Christian civil law. They seek, at most, "equal time for Jesus" in the satanic

kingdoms of this world. They forget: the "equal time" doctrine is the lie that Satan's servants use while dwelling in holy commonwealths. When Satan's disciples gain civil power, they adopt a new rule: "As little time for Jesus as the tate can impose through force."

2. Geisler's Norm

Norman Geisler, a fundamentalist philosopher with a Ph.D. issued by a Roman Catholic university, and a devout follower of Thomas Aquinas,[57] insisted that all civil law must be religiously neutral. We must legislate morality, he said, but not religion. This means that civil morality can be religiously neutral. "The cry to return to our Christian roots is seriously misguided if it means that government should favor Christian teachings. . . . First, to establish such a Bible-based civil government would be a violation of the First Amendment. Even mandating the Ten Commandments would favor certain religions. . . . Furthermore, the reinstitution of the Old Testament legal system is contrary to New Testament teaching. Paul says clearly that Christians 'are not under the law, but under grace' (Rom. 6:14). . . . The Bible may be informative, but it is not normative for civil law."[58] The suggestion by those whom he calls "the biblionomists" [biblionomy: Bible law] that God's law still applies today is, in Geisler's words, a "chilling legalism."[59]

We need legal reform, he insisted. "What kind of laws should be used to accomplish this: Christian laws or Humanistic laws? Neither. Rather, they should simply be just laws. Laws should not be either Christian or anti-Christian; they should be merely fair ones."[60] There is supposedly a realm of neutral civil law in between God and humanism: the realm of "fairness." This means that Mosaic civil law was never fair. Those who believe that the Mosaic civil law was unfair refuse to say explicitly that this is what they believe. It sounds ethically rebellious against the unchanging God of the Bible, which it in fact is. Nevertheless, this rebellious outlook was universal within

57. Aquinas, he said in 1988, "was the most brilliant, most comprehensive, and most systematic of all Christian thinkers and perhaps all thinkers of all time." Angela Elwell Hunt, "Norm Geisler: The World Is His Classroom," *Fundamentalist Journal* (Sept. 1988), p. 21. This magazine was published by Rev. Jerry Falwell's Liberty University. Geisler was at the time a professor there. The magazine has ceased publication. Geisler resigned from the school in 1991.

58. Norman L. Geisler, "Should We Legislate Morality?" *ibid*. (July/Aug. 1988), p. 17.

59. *Idem*.

60. *Ibid*., p. 64.

Protestantism in the twentieth century; it had been since at least the late seventeenth century.

This theory of neutral civil law denies Christ's words concerning the impossibility of neutrality: "No man can serve two masters: for either he will hate the one, and love the other; or else he will hold to the one, and despise the other. Ye cannot serve God and mammon" (Matt. 6:24).[61] "He that is not with me is against me; and he that gathereth not with me scattereth abroad" (Matt. 12:30). The neutralists insist that Christ's denial of neutrality does not apply to the civil covenant. Geisler wrote: "God ordained Divine Law for the church, but He gave Natural Law for civil government."[62] They insist, as Geisler insists, that true civil justice can be obtained only by removing all visible traces of Christianity from civil government. This is not humanism, he insists; this is merely neutral civil justice.

But there is no neutrality. There has never been a neutral kingdom of civil law, and there never will be. Facing the reality of this historical fact, this question inevitably arises: Which is worse, secular humanism or God's law? When push comes to shove, Geisler identified the greater evil: biblical law. "Thoughtful reflection reveals that this 'cure' of reconstructionism is worse than the disease of secularism."[63] Christians supposedly must content themselves with living as strangers in a strange land until Jesus personally returns in power. A question for premillennialists: Will Jesus enforce the Mosaic law or a system of neutral natural law during His premillennial kingdom? Premillennial defenders of natural law theory refuse to address this question in print. If they answer "Mosaic law," they have admitted that it is intrinsically morally superior to natural law. If they answer "natural law," they sever the God who declared the Mosaic law from that law. They prefer to remain silent.

The Christian antinomians' view of civil law has implications for their doctrine of eschatology. This is why virtually all amillennialists and premillennialists defend natural law theory and political pluralism, while attacking theonomy. They see themselves as God's people as losers in church history.[64] The most they hope for is a cultural

61. North, *Priorities and Dominion*, ch. 14.

62. *Geisler*, p. 17.

63. Norman L. Geisler, "Human Life," in William Bentley Ball (ed.), *In Search of a National Morality* (Baker Book House [conservative Protestant] and Ignatius Press [conservative Roman Catholic], 1992), p. 115.

64. North, *Millennialism and Social Theory*, chaps. 7–9.

stalemate.[65] They prefer to live meekly and impotently inside cultural ghettos rather than fight a cultural war in the name of Christ.[66] They do not believe they can win; therefore, they deny the basis of fighting in such a war, namely, a uniquely biblical judicial alternative to humanistic law. They deny the legitimacy of Bible-revealed judicial standards that would make possible an explicitly Christian social order during the era of the church. Their antinomian social ethics is a corollary to their pessimistic view of the church's future. God has granted them their desire: they live at the mercy of their enemies, who control the various social orders of our day. But the walls of their ghettos have holes in them: public schools, television, movies, rock music, the internet, and all the rest of humanism's lures.

Unlike the Israelites in Egypt who cried out to God for deliverance (Ex. 3:7), today's Christians prefer life in Egypt to life in the Promised Land. God cursed the exodus generation: death in the wilderness. But He did not allow them to return to Egyptian bondage. Today's Christians may grumble about certain peripheral aspects of their bondage, but they do not yet seek deliverance from their primary bonds, most notably their enthusiastic acceptance of religious and political pluralism, natural law theory, and the first-stage humanist promise of "equal time for the ethics of Jesus." They hate the very thought of their responsibility before God to establish covenanted national sanctuaries.

I. Fractional Reserve Banking

Modern banking is based on the use of false weights and measures. Fractional reserve banking rests on fraud.[67] It replaces a voluntary currency system that is based on a particular weight and fineness of a precious metal or some other commodity. The origin of fractional reserve banking was the issuing of a warehouse receipt for an asset—a money metal—that was not actually held in reserve. The banker issued a promise to pay gold or silver when he could not redeem all of the signed promises. The false warehouse receipt circulated as money

65. Gary North, *Backward, Christian Soldiers? An Action Manual for Christian Reconstruction* (Tyler, Texas: Institute for Christian Economics, [1984] 1988), ch. 11.

66. Gary North, "Ghetto Eschatologies," *Biblical Economics Today*, XIV (April/ May 1992).

67. Gary North, *Honest Money: The Biblical Blueprint for Money and Banking* (Ft. Worth: Dominion Press, 1986).

as if it had been the actual commodity promised. This enabled the issuer to charge interest on loaned funds: something (for him) for nothing (in his warehouse). The losers were those who attempted to redeem their receipts during a bank panic. The bank went bankrupt (bank + rupture), leaving late-arriving depositors with nothing. Prior to the bank run, there were other losers: people who had to pay higher prices for goods and services because of the inflationary effects of unbacked warehouse receipts that circulated as if they were money. These receipts were used by buyers to bid up prices. Those people without access to these newly printed false receipts consumed fewer goods and services because of increased prices.

The modern banking system has fraud at its heart.[68] Because of this, everyone today is at risk of a collapse of this house of—false receipts. When the system of monetary payments breaks down, as it will when this fraud becomes widely perceived as a threat to men's wealth, and the bank runs begin, all those who have planned their futures in terms of a predictable, continuous supply of credit money issued by commercial banks will find their plans destroyed. The modern world's unprecedented division of labor, which has been made possible by a system of payments based on commercial bank's promises to pay, will collapse. Unemployment will soar when workers find that their labor services are too narrowly focused to be purchased at the prices that prevailed before the banks went bankrupt. We call this event a depression. It occurs when there is an unforeseen contraction in the division of labor. This takes place whenever the fractional reserve banking payments system breaks down, as it did during the economic depression of the 1930s.

There are negative sanctions in history for breaking God's law. An economic depression is the economy's built-in negative sanction against banking fraud.[69] If the state refuses to enforce God's law governing weights and measures as it applies to money and banking, then the economic system will refute it. The justification for having the state enforce a law mandating 100% reserve banking[70] is God's

68. Murray N. Rothbard, *The Mystery of Banking* (New York: Richardson & Snyder, 1983).

69. Murray N. Rothbard, *America's Great Depression* (Auburn, Alabama: Mises Institute, [1963] 2000).

70. Murray N. Rothbard, "The Case for a 100 Percent Gold Dollar," in Leland B. Yeager (ed.), *In Search of a Monetary Constitution* (Cambridge, Massachusetts: Harvard University Press, 1962), ch. 4. This essay has been reprinted as a booklet, *The Case for a 100 Percent Gold Dollar* (Auburn, Alabama: Mises Institute, 1991).

threat to bring corporate negative sanctions against any society that disobeys His law.

In the modern world, central banking lies at the heart of a massive, centuries-long deception by the politicians and the bankers. Here is the essence of the arrangement. The nation-state issues a monopoly of credit creation to a privately owned bank. In exchange, the central bank guarantees to buy the state's debt. This quid pro quo has operated continually in England ever since the founding of the Bank of England in 1694.[71] It became the world's model for banking in the twentieth century. The world's central bankers want to create a single central bank that issues a single currency. This implies the existence of a common fiscal (taxing and spending) policy for the nations that are inside the international central banking system, i.e., the abolition of national sovereignty. The bankers and the politicians want the benefits of a gold standard without its restraints. They are unwilling to allow a common currency based on a commodity, most likely gold, for this would restrain the issuing of credit money and the issuing of government debt. They want the pleasant effects of gold—a predictable means of payment—without the restraints imposed by geology: the high cost of extracting this metal. They want to be sovereign over money, so that they can get something for nothing. The politicians want the state to pay below-market interest rates on its debt, and the bankers want interest payments for credit issued out of nothing, with the state's debt certificates as the central banks' legal reserves—the privilege of a state-created monopoly in a nation that does not enforce God's laws of weights and measures.

Perhaps someday the corporate negative sanction known as economic depression will be widely recognized by political leaders and articulate voters as the inevitable result of monetary inflation, especially fractional reserve banking.[72] If they fail to recognize this, then the world will continue to suffer from periodic depressions.

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71. In the years immediately following World War II, the government nationalized the Bank of England, but management has remained the exclusive prerogative of commercial bankers. Non-bankers are not allowed inside the bank, as I found out by accident in 1985, when Mark Skousen and I walked into it, thinking it was Lloyd's Bank. A man dressed in the traditional beefeater uniform politely asked us to leave. Feigning the ignorance common to American tourists, I asked: "You mean I can't open an account?" I was assured that I could not.

72. Ludwig von Mises, *Human Action: A Treatise on Economics* (New Haven, Connecticut: Yale University Press, 1949), ch. 20.

Conclusion

"Let me be weighed in an even balance, that God may know mine integrity" (Job 31:6). The imagery of the balance scale is basic to understanding each person's relation to God, either as a covenant-keeper or a covenant-breaker. Weights and measures are also representative biblically of the degree of civil justice available in a society. If those who own the measuring instruments of commerce tamper with them in order to defraud customers, either specific groups of customers—especially resident aliens—or customers in general, they have sinned against God. They have stolen. If the civil government does not prosecute such thieves, then the society is corrupt. The continued existence of false weights and measures testifies against a society.

There are limits to our perception and the accuracy of scales. This applies both to physical measurement and civil justice. Society cannot attain perfect justice. There must always be an appeal to the judge's intuition in judicial conflicts where contested public acts were not clearly inside or outside the law. This does not mean that there are limits to God's perception and God's justice. Thus, there will be a day of perfect reckoning. Over time, covenantally faithful individuals and institutions approach as a limit, but never reach, the perfect justice of that final judgment. This brings God's positive sanctions to covenant-keeping individuals and institutions, making them more responsible by making them more powerful. Progressive sanctification, both personal and corporate, necessarily involves an increase in God's blessings and therefore also an increase in personal responsibility.

The state is required by God to enforce His standards. The free market social order—a development that has its origins in the twin doctrines of personal responsibility and self-government—requires civil government as a legitimate court of appeal. But the bulk of law enforcement has to be individual: "Every man his own policeman." No other concept of law enforcement will suffice if a society is not to become a society of informants and secret police. Second, law enforcement must be associative: market competition. Buyers and sellers determine the degree of acceptable fluctuation around agreed-upon standards. Only in the third stage is law enforcement to become civil. Here, the standards are to be much more precise, much more rigid, and much more predictable. Representative cases are to become guidelines for self-government and voluntary associative government.

66

THE FIRSTFRUITS OFFERING: A TOKEN PAYMENT

> *And it shall be, when thou art come in unto the land which the* Lord *thy God giveth thee for an inheritance, and possessest it, and dwellest therein; That thou shalt take of the first of all the fruit of the earth, which thou shalt bring of thy land that the* Lord *thy God giveth thee, and shalt put it in a basket, and shalt go unto the place which the* Lord *thy God shall choose to place his name there. And thou shalt go unto the priest that shall be in those days, and say unto him, I profess this day unto the* Lord *thy God, that I am come unto the country which the* Lord *sware unto our fathers for to give us.*
>
> DEUTERONOMY 26:1–3

The theocentric focus of this law is God's establishment of a holy commonwealth, a place set aside by God for His holy people. This relates both to boundaries and ethics.[1]

A Liturgy of Thanksgiving

God was about to deliver the land of Canaan into their hands. They had not conquered it yet. To identify himself as a lawful resident, the Israelite or circumcised resident alien would be required to say to the priest, "I am come unto the country which the Lord sware unto our fathers for to give us" (v. 3). Then he was to say, "And now, behold, I have brought the firstfruits of the land, which thou, O Lord, hast given me. And thou shalt set it before the Lord thy God, and worship before the Lord thy God" (v. 10). This was cause of celebration: "And thou shalt rejoice in every good thing which the Lord thy God hath

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987], 1992), ch. 3. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2011), ch. 3.

given unto thee, and unto thine house, thou, and the Levite, and the stranger that is among you" (v. 11). God had sworn that He would deliver Canaan into their hand (v. 3). Because He had fulfilled this promise of inheritance, each Israelite owed Him a firstfruits offering.

This offering had to be brought to Jerusalem once each year (Ex. 23:16). This was the feast of Weeks or Pentecost (Deut. 16:9–10). The men of Israel owed God a trip to the central city and a token payment of the forthcoming harvest. The cost of the trip was far more than the market value of the token payment. Clearly, this law was a land law.[2] It had to do with the conquest of Canaan.

The Israelites had to suffer economic losses in order to demonstrate their thankfulness toward God. This passage makes it clear that this thankfulness looked back to the exodus and the conquest. In some sense, a token payment looked forward to the full harvest, but the text indicates that this was thankfulness for God's positive corporate sanctions in the past. The Passover had to do with God's deliverance. So did Firstfruits (Weeks/Pentecost), but this deliverance was the deliverance of Canaan into their hands. At Passover, the children were to ask what the ritual meal meant, and the father was to tell them about God's overnight deliverance of the nation (Ex. 12:26–27). At Firstfruits, the male head of household was to declare before a priest what the meaning of this ritual was. The man bringing the offering was required to make this historical confession:

> And thou shalt speak and say before the LORD thy God, A Syrian [Aramean—NASB] ready to perish was my father, and he went down into Egypt, and sojourned there with a few, and became there a nation, great, mighty, and populous: And the Egyptians evil entreated us, and afflicted us, and laid upon us hard bondage: And when we cried unto the LORD God of our fathers, the LORD heard our voice, and looked on our affliction, and our labour, and our oppression: And the LORD brought us forth out of Egypt with a mighty hand, and with an outstretched arm, and with great terribleness, and with signs, and with wonders: And he hath brought us into this place, and hath given us this land, even a land that floweth with milk and honey. And now, behold, I have brought the firstfruits of the land, which thou, O LORD, hast given me. And thou shalt set it before the LORD thy God, and worship before the LORD thy God (Deut. 26:5–10).

This offering was used to support the priests, but its economic value was minimal compared with the cost of making the journey to Jerusalem. Had this offering been strictly economic, the priests

2. On land laws, see Appendix J.

would have done far better financially had men been allowed to pay them the money equivalent of the journey. This indicates that *what was important was the public confession, not the offering itself*. It was the cost associated with the journey that demonstrated each man's commitment to God. This cost was the main burden.

At the same time, there was a benefit: *corporate worship*. "And thou shalt rejoice in every good thing which the LORD thy God hath given unto thee, and unto thine house, thou, and the Levite, and the stranger that is among you" (v. 11). Here the thanksgiving is said to be personal. This celebration was supposed to be more important than the money value of the offering. By requiring the men of Israel to come to Jerusalem to confess their thanks giving for God's prior deliverance of Israel, both corporately and individually, God created in His people a sense of corporate membership.

The feast of Firstfruits/Weeks/Pentecost was to be a celebration of God's supernatural intervention in history on behalf of His people. Included in this corporate celebration was the stranger (*geyr*). This was a resident alien who had consented to live under God's civil law. Israel's inheritance was corporate. It was also familistic. The feast of Firstfruits celebrated both forms of inheritance. The required feast was God's reminder to them that He, not the power of their own hands (Deut. 8:17),[3] had gained this inheritance for them. The message was clear: to continue to maintain this inheritance, the men of Israel had to acknowledge their dependence on God. This honoring involved corporate worship and the expenses thereof.

B. Token Payments for Blessings Received

The main sacrifice at Pentecost was not the handful of grain which the participant brought; it was the time and expense of travelling. This sacrifice testified to the covenantal faithfulness of the participant. There were costs associated with this benefit: forfeited time, energy, and a handful of grain. God was extracting a great deal of productivity from his people. This was another reminder to them that their wealth did not depend on a conventional allocation of time, seed, and labor. It depended entirely on their covenantal faithfulness.

God does not need our gifts in order to extend His kingdom. He grants to His people the honor of bringing offerings to Him so that they can demonstrate the seriousness of their commitment to Him

3. Chapter 21.

and their dependence on Him. The Israelites' public commitment was one means of securing the continuing blessings of God. It was also a way to secure each man's commitment to the stipulations of the covenant. If a man verbally confessed that God had delivered the nation and had secured their inheritance, and then took days to walk to and from the place of confession, he had put his money where his mouth was.

When someone forfeits the ownership of capital for the sake of another person, we say that he is either buying something or being charitable. But what do we call such an expenditure when the recipient does not use the asset? There was no suggestion in Old Covenant religion that God ate the sacrifices brought to Him. This made biblical religion different from ancient religions generally.[4] But if the Israelite was sacrificing something of value, what did he expect in return? God's favor. Then was he buying God's favor? Was the arrangement a true quid pro quo? Could he expect to receive a stream of income if he provided a trickle of sacrifice?

1. Job's Dilemma

This, basically, was the assumption of three of Job's four questioners. They assumed that he had done something wrong to warrant God's wrath. They were wrong; it was his righteousness that had gained him such adversity, by way of Satan. But Job did not understand why the afflictions had come upon him. He had sacrificed on behalf of his children (Job 1:5), yet they had all been killed at a feast (Job 1:19). Where was the justice of God? That was Job's question. God's answer in chapters 38–41 was a series of rhetorical questions that boiled down to this: "I'm God, and you're not."

The sacrifices were the Israelite's public acknowledgment that whatever he possessed had come from God. Job asked his rebellious wife: "Shall we receive good at the hand of God, and shall we not receive evil?" (Job 2:10b). God is sovereign over all. But in chapter 3, Job abandoned this testimony. The Book of Job is the account of how he regained his original confession.

The theological problem here is the predictability of God's historical sanctions. If God's curses come as unpredictably as His blessings in response to covenantal faithfulness, the world takes on the appearance of ethical randomness. This is the world of Meredith G. Kline:

4. Jacob Milgrom, *Leviticus 1–16*, vol. 3 of *The Anchor Bible* (New York: Doubleday, 1991), p. 59.

"And meanwhile it [the common grace order] must run its course within the uncertainties of the mutually conditioning principles of common grace and common curse, prosperity and adversity being experienced in a manner largely unpredictable because of the inscrutable sovereignty of the divine will that dispenses them in mysterious ways."[5]

The conclusion of the Book of Job indicates that the predictability of God's covenant sanctions is a reliable assumption. "So the LORD blessed the latter end of Job more than his beginning: for he had fourteen thousand sheep, and six thousand camels, and a thousand yoke of oxen, and a thousand she asses" (Job 42:12). This passage indicates that God's objective sanctions in history are not always immediately revealed, but they are nevertheless predictable. They are not random.[6]

2. A Token Payment

God required the beneficiaries of His blessings to acknowledge the source of these blessings. The means of acknowledgment was their assembling at a formal place of worship. Their sacrifice was their formal admission that God was the source of their blessings. This implied that there would be further blessings. This was an aspect of the covenant's system of sanctions. "But thou shalt remember the LORD thy God: for it is he that giveth thee power to get wealth, that he may establish his covenant which he sware unto thy fathers, as it is this day" (Deut. 8:18).[7] The positive sanction of wealth affirmed the covenant. That is, God demonstrated His commitment to the covenant by creating a predictable stream of blessings for them. By acknowledging retroactively that God had shown grace to Israel, the Israelites were securing future blessings. Grace is to be followed by a token payment. God's grace to Israel was greater than the payment required. The token payment nevertheless was adequate to secure another round of grace. Then were they buying God's grace? Not in the sense of full payment for services rendered. *It was a token payment to God for services already rendered*. This testified to their awareness that grace was the basis of their blessings. Grace is not paid for by its recipients.

5. Meredith G. Kline, "Comments on an Old-New Error," *Westminster Theological Journal*, XLI (Fall 1978), p. 184.

6. Gary North, *Predictability and Dominion: An Economic Commentary on Job* (Dallas, Georgia: Point Five Press, 2012).

7. Chapter 22.

Token payments are important in maintaining covenantal faithfulness. Paul wrote that man's token payment involves everything he owns: "I beseech you therefore, brethren, by the mercies of God, that ye present your bodies a living sacrifice, holy, acceptable unto God, which is your reasonable service" (Rom. 12:1).[8] Everything that man can bring before God in payment for services rendered is a token payment. "So likewise ye, when ye shall have done all those things which are commanded you, say, We are unprofitable servants: we have done that which was our duty to do" (Luke 17:10).[9] So, in effect, the firstfruits offering was a token payment of a token payment.

Conclusion

The firstfruits offering was a token payment for blessings already received: corporate blessings and personal blessings. Israelites sacrificed more wealth to get to Jerusalem than they did in surrendering ownership of a handful of grain. They acknowledged that God was the source of their blessings. They acknowledged also that their token payments were not sufficient to repay God.

Their covenantal faithfulness in participating in a liturgy of thanks giving secured for themselves a continuing stream of blessings. The historical predictability of God's visible corporate sanctions for covenantal faithfulness was at the heart of this ritual feast. It reminded them that God could be trusted to deliver them in the future, just as He had delivered them in the past. *Past sanctions testified to future sanctions*. Two festivals of Israel, Passover and Firstfruits, looked back in history to God's deliverance of the nation, but they also looked forward to the maintenance of the kingdom inheritance. The past was prologue.

8. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 9.

9. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 41.

67

POSITIVE CONFESSION AND CORPORATE SANCTIONS

> *When thou hast made an end of tithing all the tithes of thine increase the third year, which is the year of tithing, and hast given it unto the Levite, the stranger, the fatherless, and the widow, that they may eat within thy gates, and be filled; Then thou shalt say before the* LORD *thy God, I have brought away the hallowed things out of mine house, and also have given them unto the Levite, and unto the stranger, to the fatherless, and to the widow, according to all thy commandments which thou hast commanded me: I have not transgressed thy commandments, neither have I forgotten them: I have not eaten there of in my mourning, neither have I taken away ought thereof for any unclean use, nor given ought thereof for the dead: but I have hearkened to the voice of the* LORD *my God, and have done according to all that thou hast commanded me. Look down from thy holy habitation, from heaven, and bless thy people Israel, and the land which thou hast given us, as thou swarest unto our fathers, a land that floweth with milk and honey.*
>
> DEUTERONOMY 26:12–15

The theocentric focus of this law is God's oath-bound status as the sanctions-bringer in Israel. To prove loyalty to God, the covenant-keeper had to make a public declaration: "I have not transgressed thy commandments, neither have I forgotten them." The oath was an aspect of point four of the biblical covenant. But the content of the oath had to do with law: point three.[1]

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 3. Gary North, *Unconditional Surrender: God's Program for Victory* (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 3.

A. Confession and Sanctions

In this passage, we see the intimate relation among points two, three, and four of the biblical covenant. The passage begins with tithing: one's economic acknowledgment of subordination to God and His church. This relates to point two.[2] It also affirms obedience to God's law: point three. It then calls for God to bring positive corporate sanctions: point four.

The supplicant called on God to enforce His covenant through sanctions: "Look down from thy holy habitation, from heaven, and bless thy people Israel, and the land which thou hast given us, as thou swarest unto our fathers, a land that floweth with milk and honey" (v. 15). He called for God to bless His people today, just as He had blessed their fathers. This law was revealed before God had given Canaan into Israel's hands. God would soon demonstrate the covenantal basis of this law, namely, Israel's victory over Canaan. The victory over Canaan would ratify this law. This was a land law, i.e., having to do with tribal celebrations.

The laws governing the second and third tithes appear in Deuteronomy 14:22–23.[3] This law was different. It mandated a public oath after the presentation of the third tithe, meaning the local third-year tithe of celebration. This oath went beyond the presentation of the tithe. This oath was a means of covenant renewal. It belonged in point four of the biblical covenant.

The person had just brought his tithe into the town. He then was required to declare this tithe as representative of all the other commandments. As surely as he had not cheated God and the recipients of this holy (hallowed) tithe, so he had not broken any of God's commandments. "Then thou shalt say before the LORD thy God, I have brought away the hallowed things out of mine house, and also have given them unto the Levite, and unto the stranger, to the fatherless, and to the widow, according to all thy commandments which thou hast commanded me: I have not transgressed thy commandments, neither have I forgotten them: I have not eaten thereof in my mourning, neither have I taken away ought thereof for any unclean use, nor given ought thereof for the dead: but I have hearkened to the voice of the LORD my God, and have done according to all that thou hast commanded me" (vv. 10–13). This was comprehensive self-testimony. It covered everything.

2. Sutton, *That You May Prosper*, ch. 2.
3. Chapter 35.

For a man to make such a claim, he would have had to be perfect. Such perfection included making atonement and restitution for his sins. In this sense, he was to be as perfect as Job: "There was a man in the land of Uz, whose name was Job; and that man was perfect and upright, and one that feared God, and eschewed evil. . . . And it was so, when the days of their feasting were gone about, that Job sent and sanctified them, and rose up early in the morning, and offered burnt offerings according to the number of them all: for Job said, It may be that my sons have sinned, and cursed God in their hearts. Thus did Job continually" (Job 1:1, 5).[4]

To make an affirmation as comprehensive as the one mandated by this passage meant that the individual making it was renewing his covenant with God. This oath must have been taken in front of a Levite, for the sins in question were not merely civil crimes. He then called down God's positive sanctions on the nation based on his affirmation of his own atoned-for legal status. "Look down from thy holy habitation, from heaven, and bless thy people Israel, and the land which thou hast given us, as thou swarest unto our fathers, a land that floweth with milk and honey"(v. 15). He was adding his public testimony to the nation's covenantal request for God's positive corporate sanctions. This of course assumed that others in Israel also were making this affirmation. On the basis of their *individual* confessions of purity, they called *corporately* on God to bring positive sanctions.

Was the excommunicated Israelite required to take this oath? Was the resident alien? I cannot imagine why. A man outside the ecclesiastical covenant could hardly have been required to renew it. Although he was required to pay his tithe as the land's steward, because the tithe was the Levites' lawful inheritance (Num. 18:1–4),[5] he was not required to take an oath that would have been inherently false. As a non-citizen, he was in no position to call formally on God to impose positive sanctions. He was not under oath-bound ecclesiastical sanctions.

B. Historical Sanctions

This oath was a positive confession personally and a positive confession corporately. It did not call down God's blessings on the individ-

4. Gary North, *Predictability and Dominion: An Economic Commentary on Job* (Dallas, Georgia: Point Five Press. 2012), ch. 1:A.

5. Gary North, *Sanctions and Dominion: An Economic Commentary on Numbers*, 2nd ed. (Dallas, Georgia: Point Five Press, [1997] 2012), ch. 10.

ual except insofar as he was under God's corporate sanctions. The positive personal confession had to do with his obedience in the past. The positive corporate confession invoked God's past sanctions on Israel's behalf at the conquest as the precedent for His future sanctions. By testifying to their continuing obedience to God's law in the past, they affirmed their confidence in His covenantal sanctions in the future.

A loss of faith in God's past sanctions would have been fatal for this oath. Such a loss of faith would have undermined the confession. Their faith in those sanctions also would have persuaded them to avoid confessing their own individual perfection. If they lied, they could expect no positive sanctions. They could also expect negative sanctions. To the degree that they believed in God's past sanctions against Canaan, they should have believed in God's future sanctions against themselves for disobedience. "And it shall be, if thou do at all forget the LORD thy God, and walk after other gods, and serve them, and worship them, I testify against you this day that ye shall surely perish. As the nations which the LORD destroyeth before your face, so shall ye perish; because ye would not be obedient unto the voice of the LORD your God" (Deut. 8:19–20).[6]

Once in each seven-year cycle, they were required to get right publicly with God. The outward evidence of getting right with God was their presentation of the third tithe. The third tithe was celebrated locally (Deut. 14:28).[7] People would have known each other. This would have kept sinners more humble. Their positive confession regarding their sin-free judicial condition invoked God's corporate sanctions: negative if they were lying; positive if they were telling the truth. The nation could not reasonably expect continued blessings if most of the confessors were either lying or ignorant of their own sins.

This act of covenant renewal was preparatory for national blessings. A little over three years prior to the beginning of the sabbatical year, they called on God to provide national blessings. If their prayer was answered, they would have excess crops. This would be a source of the reserves required to store up food for the sabbatical year. A negative response from God would make these preparations much more expensive. Then they repeated the rite in year six.

6. Chapter 23.
7. Chapter 35.

C. God's Sanctions and Pagan Confession

What God did in the past, He is willing to do in the future. There is continuity in history. The next passage affirms that God's goal for Israel was international acclaim:

> This day the LORD thy God hath commanded thee to do these statutes and judgments: thou shalt therefore keep and do them with all thine heart, and with all thy soul. Thou hast avouched [said] the LORD this day to be thy God, and to walk in his ways, and to keep his statutes, and his commandments, and his judgments, and to hearken unto his voice: And the LORD hath avouched thee this day to be his peculiar people, as he hath promised thee, and that thou shouldest keep all his commandments; And to make thee high above all nations which he hath made, in praise, and in name, and in honour; and that thou mayest be an holy people unto the LORD thy God, as he hath spoken (vv. 16–19).

The basis of historical continuity is obedience to God's revealed law. Without obedience, there will be a negative discontinuity (Deut. 8:19–20).[8] *The twin sanctions of cursing and blessing determine discontinuity and continuity.*

Obedience would gain Israel a great international reputation. This means that the pagan nations would honor Israel as a great nation. They would confess the truth about Israel and God's law (Deut. 4:4–8). There would be consistency among God's *imputed righteousness* to Israel, Israel's *actual performance* in history, and pagan nations' *subjective acknowledgment* of Israel's objective righteousness. Two of God's blessings in history are corporate righteousness and corporate confession, even by covenant-breakers. Although members of covenant-breaking nations had a different view of God, man, law, sanctions, and time, they would nonetheless confess that Israel's visible success, based on the Bible's view of God, man, law, sanctions, and time, was superior to their own. Their public confession would conform to God's confession. They would acknowledge God's blessings as blessings. In this sense, they would disavow their own ethical standards and affirm God's standards. This is why covenant law is a form of evangelism.[9] Because *biblical law is attached to positive corporate sanctions and continuity*—long-term development—its visible results are so manifest that covenant-breakers are compelled by the evidence to confess its superiority.

The pagan's ability to recognize and confess the truth is an as-

8. Chapter 23.
9. Chapter 8.

pect of common grace. The objectivity of God's corporate blessings in history overcomes the hostile confession and false perception of God and His kingdom by covenant-breakers. Isaiah prophesied this eschatological condition:

> Behold, a king shall reign in righteousness, and princes shall rule in judgment. And a man shall be as an hiding place from the wind, and a covert from the tempest; as rivers of water in a dry place, as the shadow of a great rock in a weary land. And the eyes of them that see shall not be dim, and the ears of them that hear shall hearken. The heart also of the rash shall understand knowledge, and the tongue of the stammerers shall be ready to speak plainly. The vile person shall be no more called liberal, nor the churl said to be bountiful. For the vile person will speak villany, and his heart will work iniquity, to practise hypocrisy, and to utter error against the LORD, to make empty the soul of the hungry, and he will cause the drink of the thirsty to fail. The instruments also of the churl are evil: he deviseth wicked devices to destroy the poor with lying words, even when the needy speaketh right. But the liberal deviseth liberal things; and by liberal things shall he stand (Isa. 32:1–8).

This does not mean that covenant-breakers are converted to soul-saving faith by the testimony of their own eyes. Conversion is by God's special grace. Those who are not converted will, in the final rebellion, join with Satan in an attack on what is good and successful. The objective testimony of God's blessings on a covenant-keeping social order will enrage covenant-breakers and goad them into a final act of destruction. This will end history. "And they went up on the breadth of the earth, and compassed the camp of the saints about, and the beloved city: and fire came down from God out of heaven, and devoured them. And the devil that deceived them was cast into the lake of fire and brimstone, where the beast and the false prophet are, and shall be tormented day and night for ever and ever" (Rev. 20:9–10). When they rebel, they will rebel against a universal, triumphant civilization that is objectively so successful that it calls forth the religion of revolution.[10]

Conclusion

The Israelites had to bring their third-year tithes. A failure to do so would have undermined this confession. But this confession used the tithe as a model of covenantal obedience in general. They had to de-

10. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1987), ch. 8.

clare publicly, one by one, that they had obeyed all of God's laws in the previous seven-year period. This was a covenant renewal ceremony. It called down God's positive sanctions, but this necessarily involved the risk of negative sanctions for false oath-taking.

How could they dare to make such a perfectionist affirmation? Only on the judicial basis of the covering provided by personal repentance, restitution, and public sacrifices. Covenantally, this oath was valid only because of the ultimate covering: Jesus Christ's future sacrifice on the cross. The same oath is assumed to have been taken privately by every adult Christian prior to participating in the Lord's Supper.

This corporate event sealed Israel's legal condition until the sabbatical year of release, as either a covenant-keeping nation or a covenant-breaking nation. If God withheld His blessings, they would be tempted to plant crops during the year of release. This would have brought down even greater negative sanctions.

This corporate oath ceremony ceased to be required when the third-year tithe ceased to be required. The third tithe was a land law primarily and a seed law secondarily. This tithe was a communal tithe that united the members of each tribe in the tribe's towns. It was a tribal law. With the cessation of Israel's tribes in A.D. 70, this law was annulled.

Part 4

OATH/SANCTIONS
(Deut. 27–30)

68

LANDMARK AND CURSE

Cursed be he that removeth his neighbour's landmark. And all the people shall say, Amen.

DEUTERONOMY 27:17

The transition to the fourth section of Deuteronomy is marked by the formal declaration by the Levites of God's curses and blessings. The people were to respond with "Amen," which was a formal corporate ratification by oath (vv. 14–26): point four of the biblical covenant. This liturgy was covenant renewal: point four of the biblical covenant.[1] This liturgy was to be preceded by the establishment of a monument of stones inside the boundaries of the land. On these stones were to be written the law (vv. 2–8). The theocentric focus of the landmark law is God's office as the sanctions-bringer. Sanctions are associated with point four.

A. Disinheritance by Theft

This chapter begins with a command to set up stones on Canaan's side of the Jordan (v. 2). These stones would have the law of God written on them (v. 3). They would be made into an altar on which burnt offerings (negative) and peace offerings (positive) would be offered by the people (v. 6). The Levites would then pronounce a series of curses on specific acts (vv. 14–26). This chapter marks a shift from law to sanctions in the Book of Deuteronomy. It begins Part 4.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

This law required public confession was a recapitulation of the law governing landmarks: "This law thou shalt not remove thy neighbour's landmark, which they of old time have set in thine inheritance, which thou shalt inherit in the land that the LORD thy God giveth thee to possess it" (Deut. 19:14).[2] The focus was inheritance: each family's inheritance of land and also the nation's inheritance of the land of Canaan.

The sin of removing a neighbor's landmark in order to enlarge one's own inheritance involves disinheriting one's neighbor. It is an act of theft. It violates the eighth commandment: "Thou shalt not steal" (Ex. 20:15). This was not a land law. It is universal.[3]

Moses told the people the following: after the nation had crossed the Jordan and had entered the land, they were to assemble at the dual mountains of the dual sanctions, Gerizim (blessing) and Ebal (cursing) (Deut. 27:12–13). The Levites were then to declare specific acts that would bring cursing to the violators. After each declaration, the assembled nation would respond, "Amen." That is, *the assembled nation would ratify each law and its declared curse*. This would constitute an act of national covenant renewal. The new generation would renew formally what their parents had ratified at Mt. Sinai a generation earlier (Ex. 19). This ratification was to be corporate; all the people would participate.

The law of the landmark is the only one in the list (vv. 15–26) that was explicitly economic. None of them was a land law or a seed law. Two other laws may have had economic aspects, but they had to do with the perversion of justice: "Cursed be he that perverteth the judgment of the stranger, fatherless, and widow. And all the people shall say, Amen" (v. 19). "Cursed be he that taketh reward to slay an innocent person. And all the people shall say, Amen" (v. 25). The presumption in these two instances is that the civil law would be misused for someone's benefit. The sought-for benefit would turn into a curse.

The list of curses ended with the requirement that the entire list be ratified: "Cursed be he that confirmeth not all the words of this law to do them. And all the people shall say, Amen" (v. 26). That is, partial ratification would lead to a curse, and the nation was to invoke this curse. *He who refused to invoke* ***the whole of the law and its curses*** *thereby placed himself under the covenant's curse*. This fact was publicly to be declared by all the other participants. The nation would soon exercise the democratic right of sealing the national covenant on behalf of every member of this covenant, present and future.

2. Chapter 44.
3. On land laws and cross-boundary laws (universal), see Appendix J.

The people could not exercise what might be called a pick-and-choose veto over God. They could not pick and choose from among a large list of provisions. They were confronted with a comprehensive list of provisions. God established the covenant. They could ratify all of its stipulations and thereby escape the curses.

B. Boundaries and Sanctions

The landmark is a physical boundary, but it is also an ethical boundary. This corporate confession appears in a list of boundaries. The nation was required to confess that there were curses attached to violations of these ethical boundaries.

If God chose to remove Israel from the land because of Israel's sin, the families' geographical boundaries would lose their binding moral character. Almost a thousand years later, the prophet Ezekiel announced a change in the land law: after the nation's return from the exile, non-covenanted people living in the land would gain the right to purchase rural land (Ezek. 47:22–23).[4]

1. Classical Religion

This law was in stark contrast to the boundary laws of classical Greece and Rome, whose boundaries were marked by markers called termini. A terminus was a god. Once established as a boundary marker, this god could not lawfully be moved. This practice was found even before Rome among the Sabines and the Etruscans.[5] In Greece, each family had its own gods—dead ancestors—and its own sacrificial hearth. The worship of these household gods was tied to the soil. Fustel de Coulanges described the theology of family ownership of land. Ownership of land was tied to each household's sacred fire.

> The sacred fire, which was so intimately associated with the worship of the dead, belonged, in its essential character, properly to each family. It represented the ancestors; it was the providence of a family, and had nothing in common with the fire of a neighboring family, which was another providence. Every fire protected its own and repulsed the stranger. The whole of this religion was enclosed within the walls of each house. The worship was not public. All the ceremonies, on the contrary, were kept strictly secret. Performed in the midst of the family alone, they were con-

4. Gary North, *Restoration and Dominion: An Economic Commentary on the Prophets* (Dallas, Georgia: Point Five Press, 2012), ch. 22.

5. Fustel de Coulanges, *The Ancient City: A Study on the Religion, Laws, and Institutions of Greece and Rome* (Garden City, New York: Doubleday Anchor, [1864] 1955), II:VI, p. 68.

> cealed from every stranger. The hearth was never placed either outside the house or even near the outer door, where it would have been too easy to see. The Greeks always placed it in an enclosure, which protected it from the contact, or even the gaze, of the profane. The Romans concealed it in the interior of the house. All these gods, the sacred fire, the Lares, and the Manes, were called the consecrated gods, or gods of the interior. To all the acts of this religion secrecy was necessary.[6]

This was polytheism. It divided family from family, family from stranger. "Each family was most completely independent."[7] Classical religion defended property in land as a sacred right which rested on sacred rites. It also rested on sacred space. Fustel's description reveals how very different classical religion was from biblical religion, which placed the God of creation on top. The following lengthy extract from *The Ancient City* indicates the centrality of a family's religious rites in classical religion.

> Religion, and not laws, first guaranteed the right of property. Every domain was under the eyes of household divinities, who watched over it. Every field had to be surrounded, as we have seen for the house, by an enclosure, which separated it completely from the domains of other families. This enclosure was not a wall of stone; it was a band of soil, a few feet wide, which remained uncultivated, and which the plough could never touch. This space was sacred; the Roman law declared it indefeasible; it belonged to the religion. On certain appointed days of each month and year, the father of the family went round his field, following this line; he drove victims before him, sang hymns, and offered sacrifices. By this ceremony he believed he had awakened the benevolence of his gods towards his field and his house; above all, he had marked his right of property by proceeding round his field with his domestic worship. The path which the victims and prayers had followed was the inviolable limit of the domain. On this line, at certain points, the men placed large stones or trunks of trees, which they called Termini. We can form a good idea as to what these bounds were, and what ideas were connected with them, by the manner in which the piety of men established them. "This," says Seculus flaccus, "was the manner in which our ancestors proceeded: They commenced by digging a small hole, and placing the Terminus upright near it; next they crowned the Terminus with garlands of grasses and flowers; then they offered a sacrifice. The victim being immolated, they made the blood flow into the hole, they threw in live coals (kindled, probably, at the sacred fire of the hearth), grain, cakes, fruits, a little wine, and some honey. When all this was consumed in the hole, they thrust down the stone or piece of wood upon the ashes while they were still warm." It is easy to see that the

6. *Ibid*., I:IV, p. 37.
7. *Idem*.

object of the ceremony was to make of this Terminus a sort of sacred representation of the domestic worship. To continue this character for it, they renewed the sacred act every year, by pouring out libations and reciting prayers. The Terminus, once placed in the earth became in some sort the domestic religion implanted in the soil, to indicate that this soil was forever the property of the family. Later, poetry lending its aid, the Terminus was considered as a distinct god. . . .

The Terminus once established according to the required rites, there was no power on earth that could displace it. It was to remain in the same place through all ages. This religious principle was expressed at Rome by a legend: Jupiter, having wished to prepare himself a site on the Capitoline hill for a temple, could not displace the god Terminus. This old tradition shows how sacred property had become; for the immovable Terminus signified nothing less than inviolable property.

In fact, the Terminus guarded the limit of the field, and watched over it. A neighbor dared not approach too near it: "For then," says Ovid, "the god, who felt himself struck by the ploughshare, or mattock, cried, 'Stop: this is my field; there is yours.'" To encroach upon the field of a family, it was necessary to overturn or displace a boundary mark, and this boundary mark was a god. The sacrilege was horrible, and the chastisement severe. According to the old Roman law, the man and the oxen who touched a Terminus were devoted—that is to say, both man and oxen were immolated in expiation. The Etruscan law, speaking in the name of religion, says, "He who shall have touched or displaced a bound shall be condemned by the gods; his house shall disappear; his race shall be extinguished; his land shall no longer produce fruits; hail, rust, and the fires of the dog-star shall destroy his harvests; the limbs of the guilty one shall become covered with ulcers, and shall waste away." We do not possess the text of the Athenian law on this subject; there remain of it only three words, which signify, "Do not pass the boundaries." But Plato appears to complete the thought of the legislator when he says, "Our first law ought to be this: Let no person touch the bounds which separate his field from that of his neighbor, for this ought to remain immovable. . . . Let no one attempt to disturb the small stone which separates friendship from enmity, and which the land-owners have bound themselves by an oath to leave in its place."[8]

The soil was sacred in classical religion because the soil was unbreakably associated with local gods of the family. This was not true of biblical religion, where God was seen as the owner. In biblical religion, private property is not sacred and liturgical; rather, it is judicial and moral. In classical religion, the gods had to be fed. They needed a system of inviolable sacred inheritance, so that they could be fed. But the God of the Bible is in no way dependent on rites performed

8. *Ibid.*, II:VI, pp. 67–69.

by men. The ownership of land is therefore not inviolable. Under the Mosaic law, land was bounded by laws of inheritance that were established so that men could extend God's kingdom. The landmarks could not lawfully be moved, but this was an aspect of family inheritance and dominion, not the maintenance of exclusive family hearths.

The Mosaic law promised the sanction of no miscarriages for obedience. "There shall nothing cast their young, nor be barren, in thy land: the number of thy days I will fulfil" (Ex. 23:26).[9] It also promised large families as a positive sanction for obedience. So, the land would not support people as families grew. This was an impulse for Israelites to spread across the earth, bringing the religion of God along with them in foreign nations.[10]

This was not true of classical religion, which was polytheistic. For classical religion, the only unity outside the family had to be at bottom political. The system was based on primogeniture: the eldest son inherited all of the family's land.[11] A city could establish colonies through military conquest. This led eventually to a quest for empire. Conquest had to be military. It was not evangelical. Militarism mandated the defeat of local gods: either their elimination or their subordination. Alliances could be established only by formally equating the gods of each city and creating joint rites.[12] The Roman pantheon was political: the equality of all gods under the unity of imperial politics. Religion became subordinate to politics because only through politics could the cacophony of polytheism-familism be overcome in classical religion. As in every society, unity had to be established through confession and ritual, but Roman religion required a political confession. It involved an affirmation of the genius of the emperor and, later, his divinity. This was unacceptable to Christians. A bloody war for confessional supremacy took three centuries. Rome imposed bloodshed, but Christian confession triumphed in the end.

2. Curses

Those Christians who deny that the Mosaic law carries into the New Covenant should review this list of curses. Which of them is no longer operable?

9. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012) Part 3, *Tools of Dominion* (1990), ch. 55.

10. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), ch. 24:G.

11. Fustel, *Ancient City*, II:VII:6, pp. 83–85.

12. *Ibid.*, III:XV, p. 209.

> Cursed be the man that maketh any graven or molten image, an abomination unto the LORD, the work of the hands of the craftsman, and putteth it in a secret place. And all the people shall answer and say, Amen. Cursed be he that setteth light by his father or his mother. And all the people shall say, Amen. Cursed be he that removeth his neighbour's landmark. And all the people shall say, Amen. Cursed be he that maketh the blind to wander out of the way. And all the people shall say, Amen. Cursed be he that perverteth the judgment of the stranger, fatherless, and widow. And all the people shall say, Amen. Cursed be he that lieth with his father's wife; because he uncovereth his father's skirt. And all the people shall say, Amen. Cursed be he that lieth with any manner of beast. And all the people shall say, Amen. Cursed be he that lieth with his sister, the daughter of his father, or the daughter of his mother. And all the people shall say, Amen. Cursed be he that lieth with his mother in law. And all the people shall say, Amen. Cursed be he that smiteth his neighbour secretly. And all the people shall say, Amen. Cursed be he that taketh reward to slay an innocent person. And all the people shall say, Amen (Deut. 27:15–26).

If all of these seem to be still in force, then what about the concluding confession? "Cursed be he that confirmeth not all the words of this law to do them. And all the people shall say, Amen" (v. 26). In other words, if all of these laws carry into the New Covenant, then what about God's negative sanctions against those who violate them? What kinds of negative sanctions can the violators reasonably expect? If a man is cursed who violates these laws, then what about the Mosaic law's civil sanctions against such acts? On what judicial basis can these sanctions be said to have been annulled? Are these sins today less heinous in God's eyes than they were in Moses' day? Are they not still crimes? Has the coming of the New Covenant made men less responsible before God than before Christ's revelation? Is it a biblical principle that less is expected from those to whom more has been given? Or is it rather the reverse (Luke 12:48)?[13]

Conclusion

This prohibition against moving the landmark appears in a passage that specified the judicial content of the corporate act of national covenant renewal by the conquest generation. It pronounced a curse against the person who moves his neighbor's landmark, thereby disinheriting his neighbor and his heirs.

The invocation of a curse marks each of these boundaries as cove-

13. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 28.

nantal. The Bible-affirming commentator who denies that the Mosaic law applies in the New Covenant has a major problem with this passage: *there is no explicit covenantal principle of discontinuity that annuls any of these prohibitions*. There is also no explicit covenantal principle that revokes their curses. Then on what judicial basis have the civil sanctions attached to these sins been annulled?

69

OBJECTIVE WEALTH AND HISTORICAL PROGRESS

Blessed shall be the fruit of thy body, and the fruit of thy ground, and the fruit of thy cattle, the increase of thy kine, and the flocks of thy sheep. Blessed shall be thy basket and thy store. . . . The LORD *shall command the blessing upon thee in thy storehouses, and in all that thou settest thine hand unto; and he shall bless thee in the land which the* LORD *thy God giveth thee. . . . And the* LORD *shall make thee plenteous in goods, in the fruit of thy body, and in the fruit of thy cattle, and in the fruit of thy ground, in the land which the* LORD *sware unto thy fathers to give thee.*

DEUTERONOMY 28:4–5, 8, 11

The theocentric focus of this passage is God as the sanctions-bringer. The entire chapter of Deuteronomy 28 is a chapter on sanctions. This is point four of the biblical covenant.[1]

A. Visible Testimony Under the Mosaic Covenant

God here promises to bring blessings on the nation in response to Israel's covenantal obedience (Deut. 28:1–2). These blessings include wealth. Deuteronomy 28 is a recapitulation of Leviticus 26. It announces dual sanctions: blessing and cursing. The chapter begins with blessing; it ends with cursing. The section on cursing is much longer than the section on blessing.

This was not a land law. The entire passage is not a land law.[2] Modern commentators who reject theonomy regard this passage as a land law, although they may use some other term to describe it. They do

1. Ray R. Sutton, *That You may Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4. Gary North, *Unconditional Surrender: God's Program for Victory,* 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

2. On land laws, see Appendix J.

not acknowledge that these threatened corporate sanctions carry into the New Covenant. They are incorrect. These sanctions are historical. They are predictable. Covenantal rebellion by a society will lead to God's imposition of these sanctions. This is why this passage and Leviticus 26 are among the most important in the Bible—I believe *the* most important—for an explicitly biblical social theory.

These promises related to measurable quantities—"increase," "plenteous"—of specific goods: cattle, kine (domesticated oxen), and sheep. "Increase" here referred to storage implements: basket, storehouses. The *numerical objectivity* of these reference points is crucial for this passage. These were not inward blessings. The fulfillment of these covenantal promises, Moses told the nation, will be visible to the Israelites and their enemies. They will serve as evidence of God's sovereignty over history through the predictability of His covenant relationships. The blessings and cursings of God under the Mosaic covenant were sure. They were not disconnected from God's law. There was a bedrock objectivity that united covenant-keepers and covenantbreakers. That which God regarded as a blessing, He told Israel, all men would regard as a blessing; the same was true of cursing. The lists of blessings and cursings in Deuteronomy 28 were premised on an agreement among subjective evaluators. *There is a shared universe of discourse and evaluation*. This objectivity is not undermined by subjective evaluations by individuals or groups. *The subjectivism of individual perception would not overcome the objectivity of the corporate sanctions*. Israel would enjoy more blessings than the surrounding nations did if the people obeyed God's law. They would be visibly, objectively cursed if they disobeyed.

The idea of national blessings and cursings rests on the existence of objective measures. For men to make such evaluations, numerical measures must apply to the external world. To own a larger number of desirable goods is superior to owning fewer of them. However clever or arcane the methodological subjectivist[3] may become, there is no escape from Deuteronomy 28. The objective superiority of *more* is assumed by God. Other things being equal, it is better to be rich and healthy than it is to be poor and sick.

3. On methodological subjectivism, see Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1982] 2012), ch. 5; North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, [1990] 2012), Appendix H; North, "Economics: From Reason to Intuition," in Gary North (ed.), *Foundations of Christian Scholarship: Essays in the Van Til Perspective* (Vallecito, California: Ross House Books, 1976), ch. 5.

This passage ratifies the legitimacy of individual comparisons of national wealth. An individual may lawfully seek out evidence of superior performance of any society. At the same time, this passage does not ratify the legitimacy of government-funded comparisons of national wealth. The collection of economic or other performance data by the government, except for military-related purposes or other aspects of law enforcement, is illegitimate. To use state coercion to fund data-gathering is a form of illicit numbering. The Mosaic law made it clear that numbering was lawful only in preparation for holy warfare. It was not to be a common activity of the state. Defenders of the central planning state can justify its efficiency only on the basis of its possession of more accurate and more relevant information than the private sector possesses. Statistics becomes a necessary justification for socialism and interventionism. Strip the state of its access to pretended knowledge, and you strip away its aura of omniscience.[4]

The point of Deuteronomy 28 is not that there are objective measures of economic performance that are available to state economic planners. On the contrary, the point of this passage is this: the way to wealth, both individual and corporate, is through systematic adherence to biblical law. Employees of the state are not supposed to search the records of historical data for tax policies or other forms of coercion that lead, statistically speaking, to a greater likelihood of an increase in per capita wealth. Instead, they are to content themselves with the enforcement of God's law in a quest for civil justice. When they are successful in this venture, per capita wealth will increase. *Justice produces wealth*. Any attempt to discover economic laws of wealth based on a detailed search of detailed economic statistics reverses the Bible's concept of moral cause and economic effect. It places economic causation above moral causation in the wealth of nations.

Adam Smith understood this; his disciples rarely have. Before he wrote *An Inquiry into the Nature and Causes of the Wealth of Nations* (1776), he wrote *The Theory of Moral Sentiments* (1759). His moderate Deism was a desiccated version of the covenantal Presbyterianism of his Scottish forbears. His contractualism was a man-centered version of their covenantalism. His orderly world of economic causation rested on moral cause and effect in history. The seeming autonomy of his economic theory from morality, and of his morality from theology, is an illusion. Smith's epistemology moved in the direction of

4. Gary North, *Sanctions and Dominion: An Economic Commentary on Numbers*, 2nd ed. (Dallas, Georgia: Point Five Press, [1997] 2012), ch. 2.

autonomy, no doubt, but his economic theory was not an exercise in value-free methodology. He recognized that an economy is grounded in moral causation, for society rests on justice. "Society may subsist, though not in the most comfortable state, without beneficence; but the prevalence of injustice must utterly destroy it."[5] Social order is not the product of immoral behavior, however profitable vice may be in the short run. "Vice is always capricious—virtue only is regular and orderly."[6] Self-interest that is devoid of love of the neighbor cannot build a civilization. "As to love our neighbour as we love ourselves is the great law of Christianity, so it is the great precept of nature that we love ourselves only as we love our neighbour, or, what amounts to the same thing, as our neighbour is capable of loving us."[7] Smith did not pursue this theme in *The Wealth of Nations*. The doctrine of ethics is not part of its methodological framework. His disciples have ignored his instruction on justice as systematically as Newton's disciples have ignored his God, creation, and providence.[8]

B. Capital and Covenant

Evaluating God's favor to a society by an appeal to numerical measures is valid. But this evaluation must always be governed by the economist's qualification: "other things being equal." The "other things" in this case are ethical. *Ethics comes first*. For most people, it is better for them to be middle class than wealthy. Why? Because of the ethical temptations associated with great wealth. "Remove far from me vanity and lies: give me neither poverty nor riches; feed me with food convenient for me: Lest I be full, and deny thee, and say, Who is the LORD? or lest I be poor, and steal, and take the name of my God in vain" (Prov. 30:8–9).[9] If a person's ethical status could be ensured irrespective of wealth, then more would always be better than less. But it is inherent in the covenantal structure of a fallen world that wealth and ethics are intertwined. Adam Smith understood this: "The virtue of frugality lies in a middle between avarice and profusion, of which the one consists in an excess, the other in a defect, of the

5. Adam Smith, *The Theory of Moral Sentiments* (Indianapolis, Indiana: Liberty *Classics*, 1976), p. 167.

6. *Ibid*., p. 368.

7. *Ibid*., p. 72.

8. Isaac Newton, *Principia* (1687), "General Scholium," Section 4.

9. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs*, 2nd ed. (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 85.

proper attention to the objects of self-interest."[10] He lauded frugality in the name of capital formation, but not frugality to the point of greed. He praised spending by the wealthy as a source of benefit for workers, but not to the point of wasting one's inheritance.

Here is where biblical covenantalism gets tricky. On the one hand, wealth is designed to confirm the national covenant. "But thou shalt remember the LORD thy God: for it is he that giveth thee power to get wealth, that he may establish his covenant which he sware unto thy fathers, as it is this day" (Deut. 8:18).[11] But it can just as easily undermine the covenant: "And thou say in thine heart, My power and the might of mine hand hath gotten me this wealth" (Deut. 8:17).[12] The same numerical sanction—wealth—can become a means of grace or a means of wrath. One's covenantal status determines which effect wealth has. The trouble is, we are not always sure about what our covenantal status is, nor are we sure what it will become under different economic conditions. This is why the author of the Proverbs prayed for middling wealth. It is safer.

In genetics, this tendency is called "regression to the mean." It was discovered by Francis Galton, Darwin's cousin.[13] One scholar of the history of statistics says that this tendency has applied to every system we have discovered.[14] He exaggerates. There are many systems in which another phenomenon operates: Pareto's 80-20 law.

1. Pareto's Law and Regression to the Mean

There is a pattern that is found in every nation that economists study, irrespective of its politics, religion, or the people's educational attainment. About 80% of a nation's capital is owned by 20% of its population. The shape of either a nation's wealth distribution curve or its income distribution curve does not resemble the shape of its population curve. The population curve in a Western nation bulges with the middle class. In an economically undeveloped nation, it bulges with the poor. In contrast, both the income distribution curve and the wealth distribution curve bulge with the rich, generation after generation. This does not mean that the same families remain rich. It does mean that the richest 20% of the population owns most of

10. *Ibid.*, p. 438.
11. Chapter 22.
12. Chapter 21.
13. Peter L. Bernstein, *Against the Odds: The Remarkable Story of Risk* (New York: Wiley, 1996), p. 167.
14. *Ibid.*, ch. 10.

the nation's wealth and gains most of the income generated by this capital at any given time. The shape of the income distribution curve resists alteration.

Italian sociologist-economist Vilfredo Pareto in the late nineteenth century made detailed investigations of the distribution of income in European nations. He discovered an amazing fact: the slope of the income curve, from the richest to the poorest members of society, was similar in every nation that he studied. The richest members received most of a nation's income. This statistical relationship, first published in 1897,[15] has not changed significantly over the last century, irrespective of the economic policies of individual industrial nations. Later studies by other economic historians indicated that in 1835–40, 1883, and 1919 in Great Britain, the richest 10% received 50% of the nation's income.[16] This statistical relationship has come to be known as the Pareto law or the Pareto rule or the 20-80 rule. A 20-80 distribution has been found to apply in social institution after institution, as well as in their diverse operations.[17] No one seems to know why. An economist wrote in 1965: "For a very long time, the Pareto law has lumbered the economic scene like an erratic block on the landscape; an empirical law which nobody can explain."[18]

I would like to say that I have an answer to this seemingly irreconcilable question regarding 80-20. The phenomenon exists. Why does it exist? Why doesn't regression to the mean eliminate it? I do not have an explanation. I have searched the World Wide Web for anything that discusses the contradiction between these two statistical outcomes I have found nothing, and very few documents that even contain the phrases. I had not recognized the conflict when I published the first edition of this commentary in 1999.

Pareto offered a famous sociological theory: circulating elites. He argued that the same families or social groups will not be found in the top 20%, generation after generation. Over long periods of time, this appears to be true, but it is not easy to prove. Statistics do not prove it in the way that they validate wealth distribution. The theory

15. Vilfredo Pareto, *Cours d' Econonomie Politique*, vol. 2 (1897), pp. 370–72. The book has still not been translated into English, although it remains famous.

16. D. H. Macgregor, "Pareto's Law," *Economic Journal* (March 1936), pp. 81, 86. Reprinted in Mark Blaug (ed.), *Vilfredo Pareto* (1848–1923) (Brookfield, Vermont: Edward Elgar, 1992), pp. 21, 26.

17. Richard Koch, *The 80/20 Principle: The Secret of Achieving More With Less* (New York: Currency/Doubleday, 1998).

18. Josef Steindl, *Random Processes and the Growth of Firms: A Study of the Pareto Law* (London: Charles Griffin, 1965), p. 18. Cited in *ibid*., p. 3.

is consistent with the hierarchical aspect of the biblical covenant. The question is: Why does the distribution of income remain skewed, despite either government intervention or free market competition? We do not know.

2. Covenantal Blessings

Here is what Christians do know: God is sovereign over the poor. He raises them up—not all of them, but some of them. "The LORD maketh poor, and maketh rich: he bringeth low, and lifteth up. He raiseth up the poor out of the dust, and lifteth up the beggar from the dunghill, to set them among princes, and to make them inherit the throne of glory: for the pillars of the earth are the LORD's, and he hath set the world upon them" (I Sam. 2:7–8). God can intervene in history to break the cycle of poverty as surely as He breaks the cycle of wealth. The question is: Is there a cycle of poverty? Is there a cycle of wealth? Do the rich get richer and the poor get poorer, "other things being equal"?

This is another way of asking: Is God capricious? Does He raise up some and cast down others for no particular reason? Deuteronomy 28 denies this. God has established a structure of economic order. First, there are not many extremely poor men in a covenant-keeping society. "I have been young, and now am old; yet have I not seen the righteous forsaken, nor his seed begging bread" (Ps. 37:25).[19] Second, there are not many rich men. Capital is hard to earn and harder to retain unless the state intervenes to protect existing holders of capital from new sources of competition. If a state does this, then its national economy eventually falls behind free market societies that refuse to grant such coercive protection to special-interest groups.

If a society is getting richer than its rivals, the poor inside this society may become richer than the middle class in another. Can this lead be maintained indefinitely? To answer this question, I begin with a statistical observation: the effects of long-term economic growth are cumulative. A small rate of growth, if compounded, creates huge effects over centuries. A slightly higher rate of growth, if maintained, creates huge disparities of wealth between nations over centuries. But huge disparities of anything within a system are what call forth the counter-effects: either regression to the mean (which does not seem to govern wealth distribution) or the circulation of elites (which does seem

19. Gary North, *Confidence and Dominion: An Economic Commentary on Psalms* (Dallas, Georgia: Point Five Press, 2012), ch. 6.

to operate in income distribution). If a nation has a competitive lead, other nations will be tempted to imitate it, assuming that the sources of its advantage become known. There is a great personal economic incentive for outsiders to discover and appropriate these secrets.

Can God's covenantal blessings be maintained indefinitely? To answer this question, we must not appeal to the Old Covenant's category of original sin. The familiar Genesis pattern of creation, Fall, and redemption appeared continually in the Old Covenant, but the New Covenant has broken that pattern through the death, resurrection, and ascension of Jesus Christ. The possibility of *sustained confession* and *sustained economic growth* does exist as a theoretical ideal. The history of the West after 1750 has demonstrated this possibility with respect to the economy. Men have found the secrets of widespread wealth: individual freedom, enforceable contracts, future-orientation, the moral acceptance of wealth, capital accumulation, and technology. England discovered these secrets first. The United States replaced England as an engine of growth early in the twentieth century. Asia has begun to replace the United States at the beginning of the twenty-first.

A nation is subject to the lure of autonomy: "And thou say in thine heart, My power and the might of mine hand hath gotten me this wealth." It can lose its position of leadership. Historically, every leading nation has. But the New Covenant has overcome original sin in a fundamental way. It has made possible the Mosaic law's ideal of long-term compound growth. It has given man a new eschatology, one which is no longer trapped by the cyclicalism of the pagan world. Linear history—creation, Fall, redemption, final judgment—can be applied to nations and societies. Society is not organic. It does not parallel biology: birth, growth, decline, death. Society is covenantal: confession, obedience/disobedience, sanctions, inheritance/disinheritance.

Contrary to what I wrote in the 1999 version of this book, there is no bell-shaped distribution of wealth within a society. A minority of about 20% of the population owns about 80% of the capital. But there is change in who occupies the top positions, although this may take generations.

The Bible says that at one end of the income distribution curve, the rich man is tempted to forget God. If he succumbs, he loses his wealth. Or his heirs forget to honor the moral basis of wealth-creation. They dissipate their inheritance. The process of inheritance rewards the righteousness. At the other end of the curve, the poor man who steals is eventually caught and sold into bondage under a suc-

cessful person. His victim receives payment; he receives training; his buyer receives a stream of labor services. If the servant is successful and buys his way out of bondage, he re-enters society as a disciplined man, and presumably a self-disciplined man. He accumulates wealth.

Can a family maintain its advantage? No more than a society can. Then what about society? It is possible for a covenantally faithful society to retain its advanced position until such time as: (1) it succumbs to the temptation of autonomy; (2) other nations imitate it and become even more faithful. On the one hand, sin can undermine a society. It can pull it back into comparative poverty. On the other hand, the gospel can spread, bringing other nations into the growth mode. The deciding factor here is grace, not statistics.

Nations rise and fall, or else get overtaken, but none can maintain a permanent lead apart from its continued lead in the area of ethical sanctification. Wealth has followed the gospel: westward.

C. Visible Testimony Under the New Covenant

The visible outcome of covenant-keeping is external blessing. This theme is basic to the Pentateuch. I argue that it is basic to the entire Bible. My argument is not taken seriously by Christian commentators and Christian social theorists. They argue that there has been a great discontinuity between the Old Covenant and the New Covenant. This discontinuity supposedly has broken the predictability of God's visible responses in history to man's obedience or disobedience. But if there has been a great discontinuity, then what of the evangelism aspect of God's Bible-revealed law (Deut. 4:5–8)?[20] Has ethical cause and effect been annulled by God? Are the differences between covenant-keeping nations and covenant-breaking nations no longer visible to covenant-breakers? Has God annulled this tool of evangelism in the New Covenant, an era which is generally regarded by Christians as the great era of evangelism, i.e., the Great Commission? The critics of biblical law assume that this is the case, but they rarely say so publicly. This implication of their hostility to biblical law is just to embarrassing.

Under the Mosaic covenant, covenant-breakers could see that the outcome of covenant-keeping was superior to other outcomes. This realization was designed by God to call forth the above confession. But Christians today assume that under the New Covenant, this older relationship between national obedience and national wealth is gone.

20. Chapter 8.

The objective testimony that God gave to covenant-breakers through Israel under the Old Covenant supposedly no longer exists. The arrival of the New Covenant has supposedly left modern man with less excuse. Under the Old Covenant, foreigners could see that Israel's law-order was superior. Under the New Covenant, they supposedly cannot see this, because no nation possesses or can possess any such covenantal law order. No such law-order exists, we are told. Under the Mosaic law, in short, covenant-breakers supposedly possessed greater clarity regarding the blessings of the covenant, and therefore had greater responsibility for rejecting the covenant than they have today. This strange theory of covenantal responsibility is implicitly held by the vast majority of Christians today. We are asked to believe that the New Covenant has left covenant-breaking men with more excuse for their rebellion, for the clearer covenantal categories of the Old Covenant have been superseded by a less clear covenantal order.

The antinomian critic seeks to evade this implication by arguing that the Holy Spirit's presence in the New Covenant has more than offset the loss of clarity regarding ethical cause and effect. The theological temptation here—one that is widely succumbed to—is that some form of antinomian mysticism will replace judicial theology. An antinomian doctrine of the Holy Spirit replaces the objective testimony taught by Deuteronomy 28.

I argue that a theory of the regressive covenants—more personal responsibility for covenant-breakers despite reduced objective testimony—is incorrect. Antinomian mysticism is also incorrect. There is progress in covenantal history. *Theological contrasts get clearer over time, not more muddled*.[21] The death, resurrection, and ascension of Jesus Christ in history have made the Great Commission possible (Matt. 28:18–20).[22] The sending of the Holy Spirit has granted to God's people greater understanding than Old Covenant saints possessed. "Howbeit when he, the Spirit of truth, is come, he will guide you into all truth: for he shall not speak of himself; but whatsoever he shall hear, that shall he speak: and he will shew you things to come" (John 16:13). With greater knowledge comes greater responsibility (Luke 12:48).[23] With the spread of the gospel across national borders

21. C. S. Lewis, *That Hideous Strength: A Modern Fairy Tale for Grown-ups* (New York: Macmillan, 1945), p. 283.

22. Kenneth L. Gentry, Jr., *The Greatness of the Great Commission: The Christian Enterprise in a Fallen World* (Tyler, Texas: Institute for Christian Economics, 1990).

23. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 28.

has come a spread of knowledge. There remain differences between the national blessings of God and national cursings. Modern Christian academics assure us that these distinctions no longer exist. This is Meredith G. Kline's position, as we shall see. It is the position of every Christian social theorist who denies the New Covenant applicability of Deuteronomy 28, which means all except the theonomists. I contend the opposite: it is not covenant-breakers who are blind to these differences, but rather Christian academic social theorists.

D. Social Theory

Deuteronomy 28 and Leviticus 26, more than any other passages in the Bible, serve as the basis for the development of a uniquely Christian social theory. If this system of predictable covenantal blessings and cursings was applicable only to the Mosaic era, then there is no possibility of a uniquely Christian social theory. Christians would have to pick and choose among various humanistic theories of social causation. This in fact is what they have been doing since about 1700. Even before then, most Christian social theorists went to the Greeks and Romans before they went to the Mosaic law. After 1700, they all did. There was no distinctly Christian social theory from the demise of casuistry, both Protestant and Roman Catholic, after 1700.[24] Rushdoony's *Institutes of Biblical Law* (1973) revived the lost art of casuistry. He had begun preaching the weekly sermons that became the *Institutes* in the late 1960s, exactly paralleling the advent of the situation ethics movement in liberal churches.

Meredith G. Kline attacked Christian Reconstruction in the name of covenantal randomness: "And meanwhile it [the common grace order] must run its course within the uncertainties of the mutually conditioning principles of common grace and common curse, prosperity and adversity being experienced in a manner largely unpredictable because of the inscrutable sovereignty of the divine will that dispenses them in mysterious ways."[25] But his criticism went beyond the Christian Reconstruction movement. His broader target was the New Covenant ideal of Christendom. He denied that such an ideal has its roots in the New Covenant. He was not alone in this viewpoint. It is

24. Thomas Wood, *English Casuistical Divinity in the Seventeenth Century* (London: S.P.C.K., 1952). On the decline of Roman Catholic casuistry in 1700, see Albert J. Jonsen and Stephen Toulmin, *The Abuse of Casuistry: A History of Moral Reasoning* (Berkeley: University of California Press, 1988), p. 269.

25. Meredith G. Kline, "Comments on an Old-New Error," *Westminster Theological Journal*, XLI (Fall 1978), p. 184.

shared by virtually all of modern Protestant Christianity. The debate among Christian social theorists centers on which baptized humanist ideal should be substituted for the ideal of Christendom.

In the Protestant West, academically certified evangelicals tend to baptize left-wing Enlightenment social theory, while fundamentalists baptize right-wing Enlightenment social theory. Both groups dismiss as theocratic any judicial system that invokes the Mosaic law as a binding standard for social policy. It is generally considered legitimate to invoke the Ten Commandments, but even here, there is deep suspicion. The first three commandments are considered off limits for civil law; the fourth is considered problematical for civil law; and five through ten are regarded as valid aspects of the civil order only to the extent that they are enforced only as universal statements of a common-ground moral law. Both groups prefer to live under humanism's theocracy rather than the Bible's theocracy. Both groups proclaim, "we're under grace, not law," meaning that both groups baptize the rule of humanistic lawyers. Both proclaim that God rules in history, but only through the tender mercies of covenant-breakers.

Because Kline's theology is opposed to the ideal of Christendom, it is opposed to the ideal of Christian social theory. He offered no social theory. The same is true of his disciples. They have no theory of history. Because they regard the Mosaic law and the civil sanctions that God imposed to defend it as an "intrusion" in the history of the covenant,[26] Kline and his followers can offer no theory of history either before or after the Mosaic era. History is inscrutable for them, and they insist that this is history's fault rather than theirs.

E. The Covenantal Structure of History

The biblical covenant is an integrated system. It cannot be accurately discussed apart from all five points. Sanctions link law and eschatology. God's sovereignty enforces this link through hierarchy. He is over the creation, yet He acts through the creation. He is different from the creation, yet He is manifested by the creation. The judicial basis of His wrath on covenant-breakers and their works is two-fold: (1) original sin; (2) the fact that the creation reflects God's moral character to all men. "For the wrath of God is revealed from heaven

26. The term "intrusion" is Kline's, which he applies to the entire Mosaic covenant. Kline, "Intrusion and Decalogue," *Westminster Theological Journal*, XVI (1953/54); Kline, *The Structure of Biblical Authority*, rev. ed. (Grand Rapids, Michigan: Eerdmans, 1972), pp. 154–71.

against all ungodliness and unrighteousness of men, who hold the truth in unrighteousness; Because that which may be known of God is manifest in them; for God hath shewed it unto them. For the invisible things of him from the creation of the world are clearly seen, being understood by the things that are made, even his eternal power and Godhead; so that they are without excuse" (Rom. 1:18–20).[27]

The system of historical sanctions described in Deuteronomy 28 is the basis of men's understanding of God's eternal character. This system is representational. *What happens in history is analogous to what happens in eternity: the extension of God's kingdom*. This extension is, first of all, visible in history. Second, it is based on the predictable outcome of covenantal sanctions. *The kingdom of God rests on the moral authority of God's law*.

To argue that the kingdom's extension in history is not predictably connected to men's corporate responses to God's law is to argue for the processes of history as either indeterminate (Kline) or perverse (Van Til). Van Til wrote that the future will bring persecution for Christians at the hands of ever more powerful covenant-breakers.

> But when all the reprobate are epistemologically self-conscious, the crack of doom has come. The fully self-conscious reprobate will do all he can in every dimension to destroy the people of God. So while we seek with all our power to hasten the process of differentiation in every dimension we are yet thankful, on the other hand, for "the day of grace," the day of undeveloped differentiation. Such tolerance as we receive on the part of the world is due to this fact that we live in the earlier, rather than in the later, stage of history. And such influence on the public situation as we can effect, whether in society or in state, presupposes this undifferentiated stage of development.[28]

Van Til's position is clear: as history develops, the persecution of Christians by the reprobates increases. The good get better, while the bad get worse. Good people therefore become less influential, while bad people become increasingly dominant. But everyone becomes more self-conscious ethically. Spiritual darkness spreads as this self-awareness spreads. Christians should therefore be thankful that they live today rather than later. Christians are tolerated today, he said; then, they will be persecuted. Only the discontinuous end of his-

27. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 3.

28. Cornelius Van Til, *Common Grace* (1947), reprinted in *Common Grace and the Gospel (*Nutley, New Jersey: Presbyterian & Reformed, 1972), p. 85.

tory will bring relief to Christians. This is the traditional amillennial view of the future. The good news of the gospel for a Christian theory of history supposedly is that history will end before things so bad that the gospel is completely overcome culturally.

In such a view, the final state beyond the grave represents a radical discontinuity from history. It is not simply that corruption does not inherit incorruption. All Christians agree on this principle.

> So also is the resurrection of the dead. It is sown in corruption; it is raised in incorruption: It is sown in dishonour; it is raised in glory: it is sown in weakness; it is raised in power: It is sown a natural body; it is raised a spiritual body. There is a natural body, and there is a spiritual body. . . . Now this I say, brethren, that flesh and blood cannot inherit the kingdom of God; neither doth corruption inherit incorruption. Behold, I shew you a mystery; We shall not all sleep, but we shall all be changed, In a moment, in the twinkling of an eye, at the last trump: for the trumpet shall sound, and the dead shall be raised incorruptible, and we shall be changed. For this corruptible must put on incorruption, and this mortal must put on immortality. So when this corruptible shall have put on incorruption, and this mortal shall have put on immortality, then shall be brought to pass the saying that is written, Death is swallowed up in victory (I Cor. 15:42–44, 50–54).

The divisive issue is whether history points *clearly and objectively* to God's objective victory in eternity. Paul's emphasis on discontinuity in I Corinthians 15 appears in the context of continuity: the rule of Christ in history. Specifically, Paul wrote of the first resurrection as a testimony to the final resurrection. In between these two supernatural events, "he must reign, till he hath put all enemies under his feet." This "he" is not Satan.

> For since by man came death, by man came also the resurrection of the dead. For as in Adam all die, even so in Christ shall all be made alive. But every man in his own order: Christ the firstfruits; afterward they that are Christ's at his coming. Then cometh the end, when he shall have delivered up the kingdom to God, even the Father; when he shall have put down all rule and all authority and power. For he must reign, till he hath put all enemies under his feet. The last enemy that shall be destroyed is death. For he hath put all things under his feet. But when he saith, all things are put under him, it is manifest that he is excepted, which did put all things under him. And when all things shall be subdued unto him, then shall the Son also himself be subject unto him that put all things under him, that God may be all in all (I Cor. 15:21–28).[29]

29. Gary North, *Judgment and Dominion: An Economic Commentary on first Corinthians*, 2nd ed. (Dallas, Georgia: Point Five Press, [2001] 2012), ch. 16.

There are two passages in the Bible that amillennialists cannot deal with in a straightforward manner: Isaiah 65:17–23[30] and this one. These are the two great stumbling blocks for amillennialists. When these passages appear, amillennialists announce: "Let the mumbling begin." In short, "when you stumble, mumble."

What is significant for social theory in Van Til's view of the coming eschatological discontinuity is the radical nature of the discontinuity in the inheritance/disinheritance process, time vs. eternity. At the end of time, history's supposedly progressive disinheritance of covenant-keepers by covenant-breakers becomes the complete inheritance by covenant-keepers. For covenant-keepers, eternal victory is snatched out of the jaws of historical defeat. For covenant-breakers, the reverse is true. *In Van Til's version of amillennialism, eternity is not an extension of covenantal history; on the contrary, it is the* ***great reversal*** *of covenantal history*. For Van Til, the New Covenant history's system of cultural sanctions is exactly the opposite of what is described in Deuteronomy 28. This is why I call his theory of common grace ethically perverse.[31] My standard is Deuteronomy 28.

F. Epistemological Self-Consciousness

Van Til argued that history will reveal an increase in epistemological self-consciousness. I have argued that he really meant ethical self-consciousness.[32] Van Til's theory of common grace raises an interesting question. If the covenant-breaker becomes more consistent with his God-denying presuppositions over time, then he must depart further and further from the truth. As an amillennialist, he argued that this would increase the covenant-breaker's power. As a postmillennialist, I argue that this would decrease his power. But a more interesting question is this: To what extent is the truth-denying covenant-breaker ready and willing to abandon consistency for the sake of pragmatism? If Deuteronomy 28 is still in force in the New Covenant, then the consistent covenant-breaker is headed for comparative poverty. The covenant-keeper will excel him in productivity.

Look at the history of the Soviet Union if you want an example of covenant-breaking consistency run amok. Look at Red China's

30. Gary North, *Restoration and Dominion: An Economic Commentary on the Prophets* (Dallas, Georgia: Point Five Press, 2012), ch. 15.

31. Gary North, *Political Polytheism: The Myth of Pluralism* (Tyler, Texas: Institute for Christian Economics, 1989), ch. 3.

32. *Idem*.

"Great Leap Forward," 1959–62: as many as 30 million people may have starved—the records are not clear.[33] In the late 1980s, the Soviet Union collapsed in bankruptcy. Red China under Deng in the 1980s abandoned socialism for the sake of economic growth. This experiment worked. China has experienced historically unprecedented economic growth, 1979–2012. Men's desire for wealth has undermined socialism as an ideal, for they now recognize that socialism produces poverty. Socialism as a theory finally crashed and broke apart on the rocks of economic reality, 1988–1991. The world is no longer in the grip of the idea of socialism.[34] When socialism faded as an ideal, it faded incredibly fast. Pragmatism overcame it almost overnight. The world looked at Gorbachev's Russia and concluded: "Loser." Nobody wants to be a loser. The Marxist promise of world domination foundered: in the financial markets, in Afghanistan, and in the Persian Gulf.[35] Communism's eschatology of victory has become a joke. Stripped of faith in Communism's positive, confident eschatology,[36] Communists were doomed to defeat. The movement's total failure was reflected almost overnight in the discount book bins of the West: books on Marxism became unsalable at retail prices. Publishers immediately ceased publishing them. Except in university book stores, where tenured radicals are still employed, we no longer find Marxist books offered for sale. That twentieth-century ideological war is over. Marxism died with a whimper, not a bang.

Left-wing Western humanist intellectuals have replaced their once-confident defenses of socialism with half-hearted affirmations of the concept of private ownership (with extensive qualifications).[37] They have grudgingly adopted more of the Bible's truth in the name of practical reality. *Pragmatism has overcome ideology*. The desire for the good life has overcome the desire for full-scale state control over the economy among the West's left-wing intelligentsia. Full-scale socialism—state ownership of the tools of production—became politically

33. The most detailed account in English is Jasper Becker, *Hungry Ghosts: Mao's Secret Famine* (New York: Free Press, 1997).

34. Clarence B. Carson, *The World in the Grip of an Idea* (New Rochelle, New York: Arlington House, 1979).

35. Iraq was a client state of the Soviet Union. Its defeat in early 1991 by the U.S. military broke the spell of the Soviet Union as a military powerhouse. In 1996, the Russian army was defeated by the army of the breakaway state of Chechenya. The Russian army has become a rag-tag force of unpaid beggars in the streets. Michael Specter, "In Triage, a Wasted Russia Sacrifices Veterans," *New York Times* (Jan. 19, 1997).

36. F. N. Lee, *Communist Eschatology* (Nutley, New Jersey: Craig Press, 1974).

37. So have left-wing Christian intellectuals. See Appendix F: "The Economic Re-Education of Ronald J. Sider."

incorrect in the late 1980s, despite all of the opprobrium heaped by the political and academic establishments on England's Prime Minister Margaret Thatcher and America's President Ronald Reagan. Socialism has become a god that has visibly failed. No one today wants to be known as someone who worships in socialism's shrine. Socialism committed the ultimate sin for modern intellectuals: it became passé.

At the end of history, there will be a great satanic rebellion. "And they went up on the breadth of the earth, and compassed the camp of the saints about, and the beloved city: and fire came down from God out of heaven, and devoured them. And the devil that deceived them was cast into the lake of fire and brimstone, where the beast and the false prophet are, and shall be tormented day and night for ever and ever" (Rev. 20:9–10). This rebellion will be a rebellion against success, not failure. It will be a rebellion against an established Christian civilization, not against some marginalized ghetto culture. The whole point of Satan's rebellion is to rebel. To describe this rebellion as if it will be a huge majority movement against a tiny handful of poverty-stricken, politically impotent Christians makes no sense.[38]

Covenant-breakers become less intellectually consistent over time, not more consistent. They become more pragmatic, more willing to subordinate themselves to a culture that delivers the goods—in the long run, Christian culture. Whenever they become more consistent, they produce the bad society, one that fails to deliver the goods. *They want the fruits of covenant-keeping more than they want the fruits of covenant-breaking*. This is why there can be social progress in history. Covenant-breakers will progressively recognize in the New Covenant what they recognized in the Old Covenant: "Behold, I have taught you statutes and judgments, even as the LORD my God commanded me, that ye should do so in the land whither ye go to possess it. Keep therefore and do them; for this is your wisdom and your understanding in the sight of the nations, which shall hear all these statutes, and say, Surely this great nation is a wise and understanding people. For what nation is there so great, who hath God so nigh unto them, as the LORD our God is in all things that we call upon him for? And what nation is there so great, that hath statutes and judgments so righteous as all this law, which I set before you this day?)" (Deut. 4:5–8).[39]

38. David Chilton, *The Days of Vengeance: An Exposition of the Book of Revelation* (Ft. Worth, Texas: Dominion Press, 1987), pp. 525–28.

39. Chapter 8.

At the end, they will rebel. That is why it will be the end.[40] But to imagine that the good get weaker and the bad get stronger over time is to imagine a vain thing: the reversal—not merely the annulment—of Deuteronomy 28.

Conclusion

Deuteronomy 28 sets forth blessings and cursings. These sanctions are national covenant sanctions. They have not been annulled by the New Covenant. Deuteronomy 28 sets forth the hope of progress in history: obedience brings inheritance; disobedience brings disinheritance. Covenant-keepers will inherit in history if they obey. The decisive issue here is not power; it is obedience.

The objectivity of the blessings in history points to the power of common grace in history. Men who do not worship God nevertheless perceive the benefits of obeying God's law. Men see with their eyes and acknowledge with their tongues that covenant-keeping brings more of the good things in life than covenant-breaking does. *The objectivity of God's historical sanctions testifies to the reality of the objectivity of God's eternal sanctions*. This is as it should be. It brings covenant-breakers under greater condemnation in history and eternity than if there were no predictability and objectivity to God's covenant sanctions in history.

There are two ways of denying the continuing authority of God's system of covenant sanctions in history. First, by denying that the New Covenant's corporate sanctions are continuous with the Old. This denial needs to be proven exegetically, not assumed automatically. Second, by denying that covenant-breaking men will subjectively see and acknowledge the admittedly objective structure of covenantal sanctions in history. But this attributes to covenant-breaking men a degree of continuous commitment to holding down the truth in unrighteousness far greater than their desire for the good life, which can be obtained by conforming to the external requirements of God's law. What we have seen throughout history is that covenant-breakers are repeatedly willing to conform to God's external laws for the sake of gaining the covenant's objective blessings. Admittedly, they would become steadily more consistent with their own atheistic presuppositions if they could do so at zero price. But such consistency has a high price tag: economic stagnation and other unpleasant cursings.

40. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1987), ch. 8.

Men refuse to pay this price for too long, once they have seen that freedom works, elevating their rivals. When, at the Moscow Olympics in 1980, the Soviet elite saw what Western tourists owned, compared to the shoddy, pathetic goods the Soviet elite enjoyed, Communism's doom was sealed. Eleven years later, after an entombed nuclear reactor, a bankrupt economy, and a failed war in Afghanistan, the Soviet Union fell.

Deuteronomy 28 provides the basis of a self-consciously biblical social theory. But Deuteronomy 28 is rejected by modern Christian social theorists. This is why they refuse to provide anything explicitly biblical in the way of social theory. They baptize this or that humanist system. They reject the Pentateuch as a source of either the judicial content or the formal structure of social theory. "The Bible does not offer economic blueprints," they insist, which is why they are little more than cheerleaders for humanism rather than designers of a new civilization. "We're under grace, not law," they proclaim, which is why they are under humanist politicians, bureaucrats, and lawyers.

Christian social theory must accept the New Testament continuity of the corporate sanctions of Deuteronomy 8 and 28. Yet Christians who regard themselves as laying the intellectual foundations of an academic Christian worldview have rejected the Book of Deuteronomy. They have come to readers in the name of Christ, yet they have invariably proclaimed some sort of common-ground philosophy with humanism: natural law, political pluralism, Enlightenment social philosophy, God as Creator but not Savior, common grace. Every suggested common-ground system has led to the transfer of legal sovereignty and political power to humanists, who gladly accept the gift and then tighten the screws on Christians and the institutional church. Christian social theorists then return to the drawing board, vainly searching for yet another common-ground alternative to Deuteronomy 28, vainly expecting those who hate God to share with God's people the delegated sovereignty of power. Moses is not good enough for Christian social theorists, so they have instead invoked Aquinas, Grotius, Locke, Rousseau, Smith, Madison, Burke, Marx, Mill, and other assorted defenders of the social ideal of human autonomy. They have placed God in the dock by way of Moses. Then they wonder why neither the humanists nor the theonomists take them seriously.

70

CREDIT AS A TOOL OF DOMINION

The Lord *shall open unto thee his good treasure, the heaven to give the rain unto thy land in his season, and to bless all the work of thine hand: and thou shalt lend unto many nations, and thou shalt not borrow. And the* Lord *shall make thee the head, and not the tail; and thou shalt be above only, and thou shalt not be beneath; if that thou hearken unto the commandments of the* Lord *thy God, which I command thee this day, to observe and to do them.*

DEUTERONOMY 28:12–13

The stranger that is within thee shall get up above thee very high; and thou shalt come down very low. He shall lend to thee, and thou shalt not lend to him: he shall be the head, and thou shalt be the tail.

DEUTERONOMY 28:43–44

The theocentric issue here is God as the source of both positive and negative economic sanctions. These sanctions lead either to the corporate inheritance or disinheritance of nations. The nations will become Israel's inheritance if Israel obeys God. Israel will become the owner of the other nations' capital. This will in turn elevate Israel's political power over them. In short, "The rich ruleth over the poor, and the borrower is servant to the lender" (Prov. 22:7).[1]

All of this seems hard to believe. How could a tiny nation in Palestine become rich and powerful to this degree? The answer involves the theological doctrine of God's sovereignty over history, coupled with the corporate sanctions of Bible-revealed covenant law. Modern humanist man believes in neither doctrine. Neither does

1. Gary North, *Wisdom and Dominion: An Economic Commentary on Proverbs*, 2nd ed. (Dallas, Georgia: Point Five Press, [2007] 2012), ch. 67.

modern Christian man: Arminian, antinomian, and eschatologically escapist.[2]

A. Trade, Credit, and Debt

When a person sells an item to another person, there is either an immediate exchange of present assets or the establishment of a debt-credit relationship. In the first case, one participant receives goods, services, or money from the other. The other party to the transaction receives the reciprocal. In the second case, one participant receives present assets in exchange for a promise to pay future assets.

Credit and debt are simultaneous and reciprocal. One person surrenders ownership of goods, or legal claims on future goods, or else he supplies present services. For this, he receives the other person's promise to pay future goods or services, or ownership of a third party's promise to provide goods or services in the future.

There is present value received on both sides of the transaction. *Promises to pay often possess present value*. The more trustworthy the promisor is, the greater the economic value of the promise, i.e., the lower the risk of default.

Because promises to pay possess present value, there is value for value exchanged. Neither party in the exchange is asked to surrender something for nothing. Neither party is expected to gain something for nothing. Each party exchanges in order to receive something of greater value to him than what he surrenders. But there is not an exchange of presently consumable wealth. One (or more) party in the transaction promises to pay future consumable wealth.

In most exchanges in a modern economy, there is an element of delayed payment. *Most exchanges have an element of debt and therefore credit*.[3] Most exchanges are by check or credit card. Only a comparative handful of exchanges involve *currency*, which in fact means *current payment*. Very few exchanges are pure barter. Barter is characteristic of a low division of labor society, i.e., a backward society. Therefore, *the greater the division of labor, the greater the level of debt-credit*. The greater the division of labor, the greater the specialization of both production and consumption, i.e., the greater the number of choices. The greater the number of choices, the greater the wealth of the society. If credit produces wealth through thrift, then so does debt. Credit and

2. Gary North, *Millennialism and Social Theory* (Tyler, Texas: Institute for Christian Economics, 1990).

3. Chapter 61.

debt are two sides of the same legal relationship. We can accurately say, then, that *debt produces wealth*. There is no way around this fact until such time as all electronic payments are cleared instantaneously.

The high per capita output of modern society rests on an extensive division of labor and therefore extensive debt-credit. Without debt/credit, most of the world's population would die within a few weeks.

There is a tendency for traditional critics of modern life to disparage debt. They may quote Paul: "Owe no man any thing, but to love one another: for he that loveth another hath fulfilled the law" (Rom. 13:8).[4] But the debt discussed here, which Paul rejected, is not the debt of 30-day deferred payments (credit cards) or the period needed for checks to clear the banks. The debt in question is long-term debt. As to how long a debt period must be before critics begin to challenge its legitimacy, there is no way to say in advance.

Debt establishes a legal bond between creditor and debtor. A person who writes a check to buy something has established a legal relationship with the seller. This relationship lasts until the check clears and the seller's bank account is credited with the money. Then the legal relationship ends, unless there was some sort of guarantee with respect to the good or service.

A guarantee is another form of debt. When an automobile manufacturer sells a vehicle with a six-year or 100,000-mile (or kilometer) guarantee, the manufacturer becomes a debtor to the buyer. This is not usually called a debt by the common person, but surely the sales contract establishes a debt. There are people who claim to be opponents of debt who would accept the legitimacy of a performance guarantee of some kind. This indicates that they have not thought through the meaning of debt.

B. Debt and Subordination

We do not think of an automobile manufacturer as being subservient to the product buyers, but surely it is subservient. It has issued legal guarantees. From time to time, we read of vehicle recalls by an automobile company. The company offers to make a free repair of a faulty part. It costs millions of dollars just to inform the buyers of the recall, let alone make the repairs.

The buyers may be subservient to the automobile manufacturer. Buyers usually buy on credit. The credit may be issued by a bank, but

4. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 12.

it also may be issued by the manufacturer, who has set up a division for making loans. The extension of debt by the seller of goods is part of the overall sales campaign. There may be more profit in the debt contract than in the sale of the product. A manufacturer may be using the product as a means of persuading buyers to accept debts.

So, for buyers and sellers, mutual promises over time may extend for years. Each party is subservient to the other is some way. Each has extended credit and accepted debt in order to facilitate the original transaction.

Then why does the text say that the nation that has extended credit is the master, and the nation that has accepted a debt is the servant? What have nations got to do with anything, analytically speaking? The transactions are all individual. In what way are national entities involved?

1. Corporate Blessings and Curses

God says clearly in these passages that the extension of credit is a means of dominion. There are winners and losers. These individual winners and losers belong to specific covenantal associations, called nations. Gains and losses, when added up, establish criteria for winning nations and losing nations, or rival groups within a nation. "The stranger that is within thee shall get up above thee very high; and thou shalt come down very low" (v. 43).

Who was the stranger in Mosaic Israel? The Hebrew word here is *geyr*. This was not a *nokree*, a part-time foreign visitor. Th *geyr* was a resident alien who was under the Mosaic law, including even some of the sacrificial restrictions.

> Therefore I said unto the children of Israel, No soul of you shall eat blood, neither shall any stranger that sojourneth among you eat blood (Lev. 17:12).
>
> And every soul that eateth that which died of itself, or that which was torn with beasts, whether it be one of your own country, or a stranger, he shall both wash his clothes, and bathe himself in water, and be unclean until the even: then shall he be clean (Lev. 17:15).
>
> But the stranger that dwelleth with you shall be unto you as one born among you, and thou shalt love him as thyself; for ye were strangers in the land of Egypt: I am the LORD your God (Lev. 19:34).
>
> Again, thou shalt say to the children of Israel, Whosoever he be of the children of Israel, or of the strangers that sojourn in Israel, that giveth any

> of his seed unto Molech; he shall surely be put to death: the people of the land shall stone him with stones (Lev. 20:2).
>
> And he that blasphemeth the name of the LORD, he shall surely be put to death, and all the congregation shall certainly stone him: as well the stranger, as he that is born in the land, when he blasphemeth the name of the LORD, shall be put to death (Lev. 24:16).
>
> But the seventh day is the sabbath of the LORD thy God: in it thou shalt not do any work, thou, nor thy son, nor thy daughter, nor thy manservant, nor thy maidservant, nor thine ox, nor thine ass, nor any of thy cattle, nor thy stranger that is within thy gates; that thy manservant and thy maidservant may rest as well as thou (Deut. 5:14).
>
> Thou shalt not oppress an hired servant that is poor and needy, whether he be of thy brethren, or of thy strangers that are in thy land within thy gates (Deut. 24:14).
>
> Thou shalt not pervert the judgment of the stranger, nor of the fatherless; nor take a widow's raiment to pledge (Deut. 24:17).
>
> Cursed be he that perverteth the judgment of the stranger, fatherless, and widow. And all the people shall say, Amen (Deut. 27:19).

Despite the protection offered to the stranger by the Mosaic law, Moses said here that it is a curse on Israel if strangers collectively are net lenders to the Israelites collectively. Strangers were to be treated well, but they were also to remain subservient to the Israelites. One means of establishing their subservience within Israel was by the Israelites' extension of credit to them. This was certainly the means of dominion with respect to geographically foreign nations: "Thou shalt lend unto many nations, and thou shalt not borrow" (v. 12).

2. Debt and Class Membership

There can be no question of God's assessment of credit and debt. First, it is better to lend than to borrow. "The rich ruleth over the poor, and the borrower is servant to the lender" (Prov. 22:7). Second, this is as true of nations as of individuals. Third, the extension of credit is a tool of dominion. If you wish to rule, become rich. If you wish to rule, extend credit.

What is not said here, but is surely implied, is that one means of becoming rich is to extend credit. The creditor gains present legal title to future goods by surrendering present title to present goods. He values the future goods promised by the debtor more than he values the present goods that he surrenders to the debtor in order

to establish the creditor/debtor relationship. He presumably is more future-oriented than the debtor. He is therefore in a higher class.[5]

High present-orientation is not true of a debtor who is using the debt to build a business or gain an education or in some other way become more productive. He has adopted an economic position described by the Bible as subservient, but he does this temporarily for a purpose: to become a ruler later. This pathway from servant to ruler is basic to the entire Bible story, from Adam, who was required to obey God in the garden before becoming a ruler over the earth, to Joseph, who served Potiphar and the prison master, to Moses, God's servant, to Christ, as the archetype of servant become master.

> Let this mind be in you, which was also in Christ Jesus: Who, being in the form of God, thought it not robbery to be equal with God: But made himself of no reputation, and took upon him the form of a servant, and was made in the likeness of men: And being found in fashion as a man, he humbled himself, and became obedient unto death, even the death of the cross. Wherefore God also hath highly exalted him, and given him a name which is above every name: That at the name of Jesus every knee should bow, of things in heaven, and things in earth, and things under the earth; And that every tongue should confess that Jesus Christ Lord, to the glory of God the Father (Phil. 2:5–11).[6]

This is why debt for productive purposes is legitimate for a dominion-oriented covenant-keeper. Nevertheless, the debt-burdened covenant-keeper should acknowledge the reality of his subordinate condition during the period of the debt. He is paying for his future authority to rule by spending a period in bondage. This is not a cost-free arrangement.

Israel was a servant of Egypt, but at the exodus, Israel collected what was owed (Ex. 12:35–36). There are periods of subordination for a nation, and then there may be periods of dominance. During the nineteenth century, England was the world's money-lender and investor. The United States was a debtor nation to England. But the debt was productive debt. It was used to build canals, railroads, and other capital projects. After World War I bankrupted the nations of Europe, the United States became a creditor nation.

The same legal relationship—creditor/debtor—changes character

5. On future-orientation as the basis of class position, see Edward Banfield, *The Unheavenly City: The Nature and Future of Our Urban Crisis* (Boston: Little, Brown, 1970), ch. 3.

6. Gary North, *Ethics and Dominion: An Economic Commentary on the Epistles* (Dallas, Georgia: Point Five Press, 2012), ch. 20/

when the debt is used for consumption. When an individual borrows money to purchase goods that depreciate, he consumes his capital. What capital? First, it is his ability to borrow, which is a capital asset. He uses it for present consumption rather than future production. Second, he consumes his future income, which is now owed to the creditor. This income could have been used to lend out or create a business, but it belongs to the creditor until the debt is repaid.

3. Capital and Choice

Long-term capital consumption is the road to poverty and servitude. This process reduces a person's future options, i.e., his choices. This is the meaning of poverty: few choices. Capital consumption reduces a person's ability to become more productive. If done in old age, it reduces one's economic legacy. We must consume in order to live. Some luxury spending is part of God's rewards in history: post-production, not pre-production. Charity is also positive. But only in emergency conditions should a person use borrowed money to provide charity, which is usually consumed rapidly. Charity creates long-term dependence on the donor by the recipient, unless it is designed to avoid this effect. Charity that establishes dependence is like credit that establishes dependence. It is a tool of dominion. Charity that is financed with borrowed money creates a hierarchy of dependence: from the creditor to the borrower to the recipient.

A nation whose members are expanding their credit through their thrift is extending its dominion. Properly put, a nation whose residents have extended credit, net, to residents of other nations have extended the dominion of their nation or society. As individuals acting in their own self-interest, they have extended their nation's corporate dominion. This market-produced fusion of personal dominion and corporate dominion was not widely understood prior to the publication of Adam Smith's *Wealth of Nations* (1776). Conversely, Deuteronomy 28:43–44 indicates that a nation that is a net borrower may be under a long-term curse, or it may be involved in a capital-formation program. It depends on what the debt is being used for: consumption or capitalization.

This assessment of a corporate condition implies that the reason for individual indebtedness is influenced by a shared corporate worldview and a shared corporate rate of time-preference. Individuals within a group view dominion in much the same way: it is either worth sacrificing present consumption in order to attain or else not worth it.

This means that corporate groups are more than the individuals who compose them. It also means that *methodological individualism is not biblical*. Three of the four specific covenants of God are corporate: familial, ecclesiastical, and civil. Confessions can also be national. "And Moses came and called for the elders of the people, and laid before their faces all these words which the LORD commanded him. And all the people answered together, and said, All that the LORD hath spoken we will do. And Moses returned the words of the people unto the LORD" (Ex. 19:7–8).[7] Covenant sanctions are corporate.

C. Clustering and Commerce

If the means of establishing a credit/debt relationship between individuals is trade, then so is the means of establishing a credit/debt relationship among groups, including nations.

Trade across borders is conducted between individuals: across national borders, across state borders, across city borders, and across the street. Despite the fact that trade is between individuals, trade has corporate effects within borders. A familiar proverb says, "Birds of a feather flock together." So do people. People with a shared worldview tend to adopt similar spending and saving habits. These habits create corporate patterns of thrift.

In the late twentieth century, market researchers discovered the existence of a series of comprehensive, statistically significant correlations among people who live in the same zip code, i.e., a postal delivery neighborhood. These correlations are lifestyle correlations. Over 60 separate postal code lifestyle classifications were known to exist in the United States in the 1990s. These correlations are geographical. Marketers make accurate decisions in terms of these geographical correlations. This phenomenon has been called *clustering*.[8] To limit a discussion of trade to pairs of individuals would lead the analyst to overlook clustering. This clustering can be intensely local. It can also be international.

Most of the time, the extent of clustering is not perceived by residents. While most people can recognize differences of neighborhood income and such neighborhood phenomena as mowed lawns, painted homes, and other aesthetic identification markers, the tech-

7. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 1, *Representation and Dominion*, ch. 20.

8. Michael J. Weiss, *The Clustered World: How We Live, What We Buy, and What it all Means About Who We Are* (Boston: Little, Brown, 2000).

niques of scientific surveying reveal subtle differences that residents do not consciously recognize, such as favored brands of products or favored forms of recreation.

Because such detailed and objective local distinctions can be identified scientifically and verified by the results of test marketing by profit-seeking companies, local characteristics can accurately be said to exist. There are also well-known characteristics of nations that residents inside and outside readily acknowledge. The old joke about purgatory being a world in which Germans are the comedians, the French run the bureaucracies, Italians own the banks, India runs the transportation system, and the English are the chefs, is amusing because national characteristics are widely recognized.

Racial and national characteristics provide the most familiar distinguishing marks of "them vs. us." People identify themselves as members of a group that provides them with meaning, security, and a sense of belonging to an inter-generational group that offers personal significance. Less meaningful in industrial societies are tribal distinctions that once were matters of life and death. Clan membership used to be significant for survival in Scotland, but no longer. And, because of the effects of humanism, theological confession has been relegated to official insignificance in the civil realm. Yet humanism proclaims an intensely theological confession regarding the nature of God, man, law, causation, and time.

Trade between individuals can and does result in corporate assessments regarding corporate winning and losing, kingdom-building and kingdom-surrendering. The assessments in Deuteronomy 28 regarding the comparative success of Israel among the nations points to the possibility of corporate progress over time. Trade by individuals is rarely discussed in the Mosaic law, other than in the context of oppression or sabbath-breaking. The personal benefits of trade are rarely mentioned. Yet the national effects of debt are discussed here in terms of covenant-keeping and covenant-breaking. The Bible's main passages that discuss economic results—Leviticus 26 and Deuteronomy 28—begin with collectives, not individuals.

The text makes it clear that it is better to extend credit than to amass debt. Yet to extend credit is to indebt the recipient. The context of these passages is the exercise of lawful rule. The passage discusses international politics, not wealth-creation. It discusses the results of a series of voluntary exchanges between sellers and buyers. The corporate results are national debt, meaning national subordination,

and national credit, meaning national domination. Out of millions of politically unplanned, mutually agreed-upon voluntary exchanges comes national servitude or dominion. Out of many, two.

How can this be? How can a series of unplanned individual exchanges produce long-term corporate results are described here as covenantal curses and blessings? Because of causation in history. *Social causation is covenantal*. It has to do with confession and lifestyle, with word and deed. The confession and lifestyle that God mandates in Deuteronomy rests on His national covenant. Those who had covenanted with God—Israelites—were distinguished from resident aliens and residents in other lands. The individual covenant is structured so as to produce dominion for God's corporate kingdom. So are the familial and ecclesiastical covenants. They are of one piece. They are a "package deal." All work together to extend God's kingdom in history. (I deliberately use the present tense.) If a society abandons one of the pieces, it has compromised its status as covenantal under God.

This means that *God's covenants capitalize the kingdom of God*. They create a lifestyle that is favorable to economic growth. This means that the laws of the covenants promote personal thrift, hard work, careful planning, honest money, private property, and entrepreneurship. Yet the actual words of the four specific covenants do not require the oath-taker to pursue allegiance to most of these economic means to the larger end, namely, the extension of God's kingdom in history. The eighth commandment does require the oath-taker to forego theft.[9] This is an affirmation of private property. The tenth commandment against covetousness reinforces this affirmation. While adherence to these two commandments by covenant-keepers does extend God's kingdom in history, there is no mention of this goal in the decalogue.

D. New Testament Teaching

The New Testament's clearest statement with respect to lending is found in Jesus' parable of the talents.

> Then he which had received the one talent came and said, Lord, I knew thee that thou art an hard man, reaping where thou hast not sown, and gathering where thou hast not strawed: And I was afraid, and went and hid thy talent in the earth: lo, there thou hast that is thine. His lord answered and said unto him, Thou wicked and slothful servant, thou knewest that I reap where I sowed not, and gather where I have not strawed: Thou

9. Gary North, *Authority and Dominion,* Part 2, *Decalogue and Dominion* (1986), ch. 28.

> oughtest therefore to have put my money to the exchangers, and then at my coming I should have received mine own with usury. Take therefore the talent from him, and give it unto him which hath ten talents. For unto every one that hath shall be given, and he shall have abundance: but from him that hath not shall be taken away even that which he hath. And cast ye the unprofitable servant into outer darkness: there shall be weeping and gnashing of teeth (Matt. 25:24–30).

The parable is about the stewardship of a man's God-given resources in history. The man who buried his talents, returning nothing extra, had misunderstood the biblical principle of *value-added living*. He was criticized harshly by the owner, who told him that he should have lent the money at usury.

This passage legitimizes banking and interest. The money returned to the owner should have been more than the money delivered because interest was available to the risk-aversive steward. By forfeiting any interest return, the steward cheated the owner of a legitimate return on the use of his money.[10]

Conclusion

God tells His people to become creditors to covenant-breakers. The alternative is for covenant-breakers to become creditors to covenant-keepers. This is evidence that debt and credit are inescapable concepts. It is never a question of avoiding credit/debt. It is a question of who extends credit to whom.

As a people, covenant-keepers are to run balance of payments surpluses, i.e., sell more to covenant-breakers than covenant-breakers buy from them. Covenant-keepers are to lend money to covenant-breakers. How can this take place? Because covenant-breakers spend more of their money on goods and services sold by covenant-keepers than they spend on goods and services sold by covenant-breakers. The difference in the total is lent by covenant-keepers to covenant-breakers.

Isn't this a way to enable covenant-breakers to enjoy additional income without present production? Yes. The idea behind this arrangement is that covenant-breakers are more present-oriented than covenant-keepers are. They buy consumption goods now. Covenant-keepers thereby become owners of foreign capital, reaping a future return by lending in the present. *By extending credit, they purchase the future productivity of covenant-breakers*. This is another way by which God extends His rule over the earth in history. He allows

10. North, *Priorities and Dominion*, ch. 47.

His people to act as His stewards, purchasing the future output of covenant-breakers. Covenant-keepers buy back the capital of covenant-breakers. They establish a legal claim to an ever-growing proportion of the world's output.

This passage, as with all of Deuteronomy 28, establishes the principle of methodological covenantalism.[11] There are economic issues that are not dealt with accurately on the assumption that we must begin our economic analysis with either the autonomous individual or the corporate state.

11. Chapter 68.

71

THE COVENANT OF PROSPERITY

Keep therefore the words of this covenant, and do them, that ye may prosper in all that ye do. Ye stand this day all of you before the LORD *your God; your captains of your tribes, your elders, and your officers, with all the men of Israel, Your little ones, your wives, and thy stranger that is in thy camp, from the hewer of thy wood unto the drawer of thy water: That thou shouldest enter into covenant with the* LORD *thy God, and into his oath, which the* LORD *thy God maketh with thee this day: That he may establish thee to day for a people unto himself, and that he may be unto thee a God, as he hath said unto thee, and as he hath sworn unto thy fathers, to Abraham, to Isaac, and to Jacob. Neither with you only do I make this covenant and this oath; But with him that standeth here with us this day before the* LORD *our God, and also with him that is not here with us this day.*

DEUTERONOMY 29:9–15

The theocentric focus of this law is God as the king of the covenant. God called His people to come before Him to ratify His covenant. This has to do with point four of the covenant: oath.[1] There is no doubt that He initiated this public ratification meeting. They were to respond to His call. They did not call Him; He called them.

A. God's Call to Prosperity

The positive sanction of prosperity is assured on the basis of covenant-keeping. This was an inter-generational covenant: "Neither with you only do I make this covenant and this oath; But with him that standeth here with us this day before the LORD our God, and also

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, 2010), ch. 4.

with him that is not here with us this day." Those who would later inherit from this generation would be bound by the same covenantal stipulations. That is, *the stipulations remained with the inheritance*. The property could not be alienated from the legal conditions that had established the original right of inheritance. This was not a seed law or a land law.[2] It was the law of the covenant: past, present, and future. This includes the church and every nation in covenant with God through the church. "Therefore say I unto you, The kingdom of God shall be taken from you, and given to a nation bringing forth the fruits thereof" (Matt. 21:43).

"Keep therefore the words of this covenant, and do them, that ye may prosper in all that ye do." These words constituted a call to prosperity. This was a call to dominion. It was a call to added responsibility. God expects more from those to whom He has given more than from those who have received less (Luke 12:48).[3]

Because we live in a culture that attributes enormous importance to prosperity, we may find it difficult to believe that men need to be called to prosperity. Nevertheless, there are cultures in which envy is dominant. To own too much is to invite reprisals. The very idea of seeking prosperity is anathema in such cultures. To set oneself apart through wealth is regarded as a transgression of fundamental cultural values. This is especially true in primitive cultures.[4] This is what keeps them primitive.

A similar mentality has been pervasive in American fundamentalist circles for over a century. Economic success is considered thisworldly. To pursue it is to risk being identified as a person whose reference points are temporal rather than eternal. The same kind of hostility to wealth can be found in liberal and neo-evangelical academic circles. History professor Ronald Sider's best-selling book of the 1970s, *Rich Christians in an Age of Hunger* (1977), was a tract for its time. Two decades later, however, the allure of such tracts had diminished considerably. I can understand why Sider re-wrote his.[5] The lure of a well-funded retirement portfolio is much greater today. A retirement portfolio of half a million dollars is considered too small by professors who were undergraduate cheerleaders for Sider in 1977.

2. See Appendix J.

3. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 28.

4. Helmut Schoeck, *Envy: A Theory of Social Behavior* (New York: Harcourt Brace & World, [1966] 1970), pp. 41, 295, 304, 305, 330.

5. See Appendix F: "The Economic Re-Education of Ronald J. Sider."

This passage makes it plain that prosperity is a valid goal. This is why God has attached positive economic sanctions to His law. Obey Him, and you will tend to become wealthy. This tendency may be offset by uncharacteristic adversity, such as chronic sickness, or by a calling[6] that gains little monetary income, such as foreign missions. But, on the whole, God's people are supposed to be *abnormally prosperous* because they are to be *abnormally obedient*. God rewards obedience. This means that covenant-keepers are to exercise dominion in history.

Wealth is a tool of dominion. As such, it is a legitimate goal. As surely as a tradesman seeks to own the tools that will increase his productivity, so should Christians seek to obey God's revealed laws. God's positive sanctions will pour down on those societies that obey Him. Men thus rewarded will find it easier to extend their influence into new areas or deeper into their own areas of service. Their wealth will enable them to extend the kingdom of God in history. Widespread poverty is a social curse, not a blessing. It will be the disciples of Satan, not the disciples of God, who will be impoverished as history unfolds.

B. Future-Orientation

The text prophesies of future generations that will come under the covenant of prosperity. God was making a covenant with them, too. They might not ratify it nationally in the same way that this generation was being asked to ratify it. God would call them together to renew it every seven years (Deut. 31:10–12).[7] He might not call them to proclaim verbally their allegiance to Him. They would not have to. Their possession of the inheritance would be proof enough that the terms of the covenant still were binding. The formal ratification by the conquest generation would judicially represent the heirs.

If prosperity was to come to the conquest generation, why not also to each subsequent inheriting generation, as long as each would continue to uphold the terms of the covenant? The oath was binding across the generations. The covenant possessed continuity over time. Its authority would be demonstrated continually by the presence of visible sanctions. The inheritance itself was one of these sanctions.

It should have been obvious to everyone that, over time, Israel's population would increase in response to their covenantal obedience. A fixed supply of land in the face of a growing population would

6. Calling: the most important work you can do in which you would be most difficult to replace.

7. Chapter 75.

guarantee smaller plots for each succeeding generation.[8] So, the inheritance was more than rural land. The economic inheritance was mainly the ability of covenant-keeping families to generate increased income. *What was being guaranteed was not land but prosperity*. God had delivered into the hands of Israel the secrets of amassing wealth. Would they keep the law and extend the kingdom grant? Or would they rebel?

God was setting before them a unique gift: the ability to create wealth. This process of wealth-creation could extend down through the ages. God was telling Israel that wealth was *supposed* to extend through the generations. This was their inheritance. It was intended to ratify the covenant: "But thou shalt remember the LORD thy God: for it is he that giveth thee power to get wealth, that he may establish his covenant which he sware unto thy fathers, as it is this day" (Deut. 8:18).[9]

God was also setting before them *a theory of history that was both linear and progressive*. They could extend the covenant over centuries. This kingdom grant was theirs. It would provide their heirs with blessings. These blessings would testify to the continuing presence of God and to the continuity of His covenant. Israel's future would not be cyclical. They would not inevitably lose whatever God had given them. In fact, they could not permanently lose it, just so long as they did not break the covenant through lack of faith and lack of obedience. God was giving them a crucial tool of dominion: *long-term future orientation*. He was giving them the psychological basis of an upper-class mentality: *faith in the future*. It is this mentality that provides men with a way out of poverty.[10]

Neither linear time nor the concept of compound growth was common in any other ancient society. The concept of cyclical time was all-pervasive in the ancient world. What God was telling Israel was that *continuity through time is provided by the covenant itself*. A man's efforts today can lead to ever-greater wealth for his heirs. But these efforts must not be limited to thrift and technological experimentation. They must also be ethical. "Hear, O Israel: The LORD our God is one LORD: And thou shalt love the LORD thy God with all thine heart, and with all thy soul, and with all thy might. And these words, which

8. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), ch. 24:G.

9. Chapter 22.

10. Edward C. Banfield, *The Unheavenly City: The Nature and Future of Our Urban Crisis* (Boston: Little, Brown, 1970), pp. 48–54.

I command thee this day, shall be in thine heart: And thou shalt teach them diligently unto thy children, and shalt talk of them when thou sittest in thine house, and when thou walkest by the way, and when thou liest down, and when thou risest up. And thou shalt bind them for a sign upon thine hand, and they shall be as frontlets between thine eyes. And thou shalt write them upon the posts of thy house, and on thy gates" (Deut. 6:4–9).[11]

Conclusion

God called Israelites to prosperity. He told them that their covenant ratification would extend to other people who were not present on that day. The covenant would carry down through the generations. The inheritance would constitute proof of the continuing validity of the covenant.

This was a new mental outlook for the ancient world: linear history and progressive history. History would be affected by what Israel would do that day. History would be shaped by the covenant. From Abraham before them to unnamed multitudes after them, the covenant would bind together the generations of Israel. This covenant would include growing wealth. God was not offering them per capita economic stagnation. He was offering them per capita economic growth. Prosperity means expansion: of wealth, of population, of dominion, of the kingdom grant.

11. Chapter 15.

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CAPTIVITY AND RESTORATION

And it shall come to pass, when all these things are come upon thee, the blessing and the curse, which I have set before thee, and thou shalt call them to mind among all the nations, whither the LORD *thy God hath driven thee, And shalt return unto the* LORD *thy God, and shalt obey his voice according to all that I command thee this day, thou and thy children, with all thine heart, and with all thy soul; That then the* LORD *thy God will turn thy captivity, and have compassion upon thee, and will return and gather thee from all the nations, whither the* LORD *thy God hath scattered thee. If any of thine be driven out unto the outmost parts of heaven, from thence will the* LORD *thy God gather thee, and from thence will he fetch thee: And the* LORD *thy God will bring thee into the land which thy fathers possessed, and thou shalt possess it; and he will do thee good, and multiply thee above thy fathers.*

DEUTERONOMY 30:1–5

The theocentric focus of this prophecy is God as the sanctions-bringer: point four of the biblical covenant.[1] He promised to preserve the inheritance of Israel, despite the sanction of captivity. This is part of the inheritance: point five of the biblical covenant.[2]

A. A Prophecy of Captivity

Moses made it clear to the generation of the conquest that there would eventually be a time of captivity and scattering in Israel's future. This was an aspect of God's negative historical sanctions. This would not constitute a break in the covenant. On the contrary, it would visibly

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: Point Five Press, [1980] 2010), ch. 3.
2. Sutton, ch. 5, North, ch. 5.

confirm the covenant. The covenant's authority, like God's, extended beyond the geographical boundaries of Canaan.

Immediately prior to Moses' death, God reconfirmed His prophecy regarding the future defection of Israel: "And the LORD said unto Moses, Behold, thou shalt sleep with thy fathers; and this people will rise up, and go a whoring after the gods of the strangers of the land, whither they go to be among them, and will forsake me, and break my covenant which I have made with them. Then my anger shall be kindled against them in that day, and I will forsake them, and I will hide my face from them, and they shall be devoured, and many evils and troubles shall befall them; so that they will say in that day. Are not these evils come upon us, because our God is not among us? And I will surely hide my face in that day for all the evils which they shall have wrought, in that they are turned unto other gods" (Deut. 31:16–18).[3] Without the promise of restoration, this passage would have constituted a prophecy of the cutting off of Israel. Moses warned them: "For I know that after my death ye will utterly corrupt yourselves, and turn aside from the way which I have commanded you; and evil will befall you in the latter days; because ye will do evil in the sight of the LORD, to provoke him to anger through the work of your hands" (Deut. 31:29). Nevertheless, there remained hope: "Rejoice, O ye nations, with his people: for he will avenge the blood of his servants, and will render vengeance to his adversaries, and will be merciful unto his land, and to his people" (Deut. 32:43).

This was a land law.[4] It applied to Israel as a holy nation in the land where God dwelled. It was a testimony against the theology of the ancient world: local gods that dwelt in regions. This was an affirmation of the universality of God's rule. This universality would be demonstrated by the captivity of an entire nation and its subsequent return to the Promised Land.

B. Outside the Land

The inheritance included the land, but it was not limited to the land. This was why God could threaten Israel with removal from the land. He would demonstrate His authority over them by removing them from the geographical confines of Israel.

This was a unique outlook in the ancient world, where local gods were tied to the soil of the family or city. The land was the place of

3. Chapter 76.
4. On land laws, see Appendix J.

residence of the gods. The mark of their defeat was the military defeat of the city and its destruction or captivity.[5] There could be no continuity as a people apart from the religious rites, especially rites of fire, associated with the worship of family and city gods.[6] Israel, however, was told that at some point, the nation would be sent into captivity outside the land. The people would nevertheless retain their unique status as God's people. They would maintain a separate existence abroad. They would eventually return to the land.

The restoration of the land would be a mark of their inheritance. This promise tied them to the land because it acknowledged that *God's covenant involved more than land*. Because it was more extensive than the land, their removal from land became a proof of the covenant's authority, just so long as there would be restoration. This is what God promised.

The mark of a broken covenant would be the dispersion of the Jews without restoration. If God ever extinguished the fires of the temple and refused to rekindle them, this would mean the permanent disinheritance of Israel. If captivity was not followed by a return to the land, then the continuity provided by the covenant no longer was in force. This *promise of restoration* implied a *means of disinheritance*, should Israel and the temple not be restored to the land. This is why Jesus' prophecy of the transfer of the kingdom to a new nation (Matt. 21:43) constituted an assault on the temple and the nation. He was saying that the Jews would be forcibly removed from the land and not allowed to return. This took place on a preliminary basis in A.D. 70 and finally in A.D. 135, after Bar Kochba's rebellion.

The creation of the modern state of Israel in 1948 has been seen by dispensationalists as a partial ratification of the Old Covenant's promises in the New Covenant era. "In the twentieth century," wrote the editors of the *New Scofield Bible*, "initial steps toward a restoration of the exiled people to their homeland have been seen."[7] What has not yet been seen is the restoration of temple sacrifices. This makes it difficult for dispensationalists definitively to connect the modern state of Israel with this passage in Deuteronomy. The hope for restored temple sacrifices is an important motivation for popular dispensational authors to predict—and even finance—the rebuilding of the temple, despite the fact that the 35-acre site of the old temple is now

5. Fustel de Coulanges, *The Ancient City: A Study on the Religion, Laws, and Institutions of Greece and Rome* (Garden City, New York: Doubleday Anchor, [1864] 1955), Book III, Chapter XV, p. 207.

6. *Ibid*., I:III, pp. 25–33.

7. *The New Scofield Bible* (New York: Oxford University Press, 1967), p. 251n.

occupied by a Muslim mosque.[8] They fully understand that by promoting this, they are risking war between Muslims and Jews—all the better to create the conditions for Armageddon, three and a half years after the not-so-secret Rapture. They also know that they are promoting the restoration of the temple's sacrifices. I suppose that the thought of Christians' contributing money for the restoration of temple sacrifices is no more appalling—and no less—than the idea that the future kingdom era of millennial blessings will be Jewish, with temple sacrifices throughout. "...[T]his interpretation is in keeping with God's prophetic program for the millennium. The Church is not in view here, but rather it is a prophecy for the consummation of Israel's history on earth."[9] The implication is obvious: temple sacrifices, as "memorials,"[10] will replace the cross of Jesus Christ as the Christian memorial. Then on what basis will Passover not replace the Lord's Supper? Christian tradition perhaps, or maybe the high cost of hotel space in Jerusalem, but surely not theology. The Book of Hebrews is unlikely to play any major role in the future millennial kingdom, except possibly in memorial services for the Church Age.

C. Cursing and Blessing

The promised restoration of Israel would not only involve blessings on the people of Israel; it would also involve cursings on Israel's enemy. Both sanctions would still be in operation. Payday would come for those gentile nations that served as God's rods of iron by placing Israel under the yoke. "And the LORD thy God will put all these curses upon thine enemies, and on them that hate thee, which persecuted thee. And thou shalt return and obey the voice of the LORD, and do all his commandments which I command thee this day. And the LORD thy God will make thee plenteous in every work of thine hand, in the fruit of thy body, and in the fruit of thy cattle, and in the fruit of thy land, for good: for the LORD will again rejoice over thee for good, as he rejoiced over thy fathers" (Deut. 30:7–9).

Consider the implications of these verses. Because of Israel's rebellion, God would raise up pagan nations that would bring negative corporate sanctions against Israel. Isaiah announced this in advance:

8. Don Stewart and Chuck Missler, *The Coming Temple: Center Stage for the Final Countdown* (Orange, California: Dart, 1991); Thomas Ice and Randall Price, *Ready to Rebuild: The Imminent Plan to Rebuild the Last Days Temple* (Eugene, Oregon: Harvest House, 1992).

9. *New Scofield Bible*, p. 884n.

10. C. I. Scofield called these offerings "memorials." *Scofield Reference Bible* (New York: Oxford University Press, 1909), p. 890n.

"O Assyrian, the rod of mine anger, and the staff in their hand is mine indignation. I will send him against an hypocritical nation, and against the people of my wrath will I give him a charge, to take the spoil, and to take the prey, and to tread them down like the mire of the streets. Howbeit he meaneth not so, neither doth his heart think so; but it is in his heart to destroy and cut off nations not a few. For he saith, Are not my princes altogether kings?" (Isa. 10:5–8). God would raise up Assyria, a nation that would boast in its own power. But in that boast, Assyria would seal its doom.

> Wherefore it shall come to pass, that when the Lord hath performed his whole work upon mount Zion and on Jerusalem, I will punish the fruit of the stout heart of the king of Assyria, and the glory of his high looks. For he saith, By the strength of my hand I have done it, and by my wisdom; for I am prudent: and I have removed the bounds of the people, and have robbed their treasures, and I have put down the inhabitants like a valiant man: And my hand hath found as a nest the riches of the people: and as one gathereth eggs that are left, have I gathered all the earth; and there was none that moved the wing, or opened the mouth, or peeped. Shall the axe boast itself against him that heweth therewith? or shall the saw magnify itself against him that shaketh it? as if the rod should shake itself against them that lift it up, or as if the staff should lift up itself, as if it were no wood. Therefore shall the Lord, the Lord of hosts, send among his fat ones leanness; and under his glory he shall kindle a burning like the burning of a fire (Isa. 10:12–16).

God's love of Israel was the basis of His corporate negative sanctions against Israel. "If his children forsake my law, and walk not in my judgments; If they break my statutes, and keep not my commandments; Then will I visit their transgression with the rod, and their iniquity with stripes" (Ps. 89:30–32). This was a mark of Israel's son ship. "Thou shalt also consider in thine heart, that, as a man chasteneth his son, so the LORD thy God chasteneth thee" (Deut. 8:5). What God would do with Israel, the Israelites were to do to their own sons. "He that spareth his rod hateth his son: but he that loveth him chasteneth him betimes" (Prov. 13:24). But this was not to give comfort to the rod. The implement is never greater than the user.

The issue, then, was obedience. The restoration of Israel would come, but only on condition of obedience. "If thou shalt hearken unto the voice of the LORD thy God, to keep his commandments and his statutes which are written in this book of the law, and if thou turn unto the LORD thy God with all thine heart, and with all thy soul" (Deut. 30:10). If not, then not. Without obedience, Israel would be

transformed into a rod that God would use against His newly adopted sons, the gentiles. *This reversal of covenantal roles took place definitively at the crucifixion of Christ*. Then came the stoning of Stephen. Then came the persecution of the Jerusalem church. "And Saul was consenting unto his death. And at that time there was a great persecution against the church which was at Jerusalem; and they were all scattered abroad throughout the regions of Judaea and Samaria, except the apostles" (Acts 8:1). Finally came the fall of Jerusalem in A.D. 70. The marked the final cutting off of Old Covenant Israel.[11] With the extinguishing of the temple's fire, the Old Covenant ceased forever. The fire was applied to the temple; Roman soldiers burned it. The covenantal roles were reversed, gentile vs. Jew. The prophecy of Isaiah regarding Israel's kindling of Assyria was reversed in A.D. 70; the rod would itself be consumed: "Therefore shall the Lord, the Lord of hosts, send among his fat ones leanness; and under his glory he shall kindle a burning like the burning of a fire. And the light of Israel shall be for a fire, and his Holy One for a flame: and it shall burn and devour his thorns and his briers in one day; And shall consume the glory of his forest, and of his fruitful field, both soul and body: and they shall be as when a standardbearer fainteth" (Isa. 10:16–18). The light of the New Israel has served as a flame. The church is now the Israel of God (Gal. 6:16). The church inherited Old Covenant Israel's status as God's son, both to suffer early chastisement by the jealous older brother, who was now disinherited, and to serve as God's fire in history.

Conclusion

This prophecy continued the theme of sanctions: section four of Deuteronomy. The negative sanction of dispersal and captivity would be overcome by Israel's return to the land. The positive sanction of re-gathering would offset the negative sanction of removal from the land. There would be covenantal continuity for Israel outside the land. This continuity would be demonstrated for all to see by God's restoration of Israel to her inheritance inside the land. Israel would maintain her national identity by means of the covenant and through hope of restoration. The discontinuity of dispersion would be healed by the greater continuity of restoration. The continuity of the covenant would overcome the discontinuity of dispersion. If it ever failed in this regard, the Old Covenant would come to an end.

11. David Chilton, *The Days of Vengeance: An Exposition of the Book of Revelation* (Ft. Worth, Texas: Dominion Press, 1987).

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LIFE AND DOMINION

> *I call heaven and earth to record this day against you, that I have set before you life and death, blessing and cursing: therefore choose life, that both thou and thy seed may live: That thou mayest love the* LORD *thy God, and that thou mayest obey his voice, and that thou mayest cleave unto him: for he is thy life, and the length of thy days: that thou mayest dwell in the land which the* LORD *sware unto thy fathers, to Abraham, to Isaac, and to Jacob, to give them.*
>
> DEUTERONOMY 30:19–20

The theocentric focus of this law is God as the cosmic judge of life and death. This is an aspect of sanctions: point four of the covenant.[1] But the promise is to the seed: inheritance. This is point five.[2]

A. Long Life in the Promised Land

God here invoked the language of a covenant lawsuit. For any capital crime, there must be two witnesses (Deut. 19:15). He called heaven and earth to testify as His witnesses. In this covenant lawsuit, God's witnesses for either the prosecution or the defense were heaven and earth: the creation. He is the creator of heaven and earth. God is sovereign in His court. This was not a seed law.[3] The New Testament's invocation of the promise of long life on earth as an application of the promised Mosaic positive sanction of long life in the land (Eph. 6:3) makes clear that this was not a land law.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 4. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: Point Five Press, [1980] 2010), ch. 3.
2. *Ibid.*, ch. 5.
3. On seed laws, see Appendix J.

These words conclude the fourth section of the Book of Deuteronomy, which is the section dealing with sanctions. Section five begins with Deuteronomy 31.[4] What is important in this regard is the nature of the judicial sanctions: life and death. *Death is the ultimate form of disinheritance*. He who is not alive cannot inherit. Life is the starting point of inheritance. We have here evidence of the unbreakable link between point four of the biblical covenant and point five. *Sanctions are inseparably linked covenantally to inheritance and disinheritance*. To separate the discussion of point four from point five, and vice versa, inevitably produces a partial covenant theology.

Verse 20 contains these words regarding God: "he is thy life, and the length of thy days." He is the source of long life, which is a universally honored positive sanction. But for Israel, long life was not sufficient. The goal was life in the land. The promise of long life had a goal, "that thou mayest dwell in the land which the LORD sware unto thy fathers, to Abraham, to Isaac, and to Jacob, to give them." The good life was life in the land.

Here again, we see the connection between point four and point five. Long life is a positive sanction. It is the basis of the inheritance. Dead men do not inherit. But is long life sufficient? The text specifies that the additional years given to God's covenantally faithful servants were to be used to extend Israel's dominion over the land. Dominion was the goal. The land was the arena. Long life was the means. But what was their tool of dominion? God's law. God called them to obedience (v. 20).

In the passage immediately preceding this one, God set forth the threat of negative sanctions. "But if thine heart turn away, so that thou wilt not hear, but shalt be drawn away, and worship other gods, and serve them; I denounce unto you this day, that ye shall surely perish, and that ye shall not prolong your days upon the land, whither thou passest over Jordan to go to possess it" (Deut. 30:17–18). To worship false gods is to commit suicide, both personal and corporate. God threatened Israel with the sanction of removal from the land. Israel's arena of dominion would be removed. To escape this negative sanction, God called on them to choose life.

This was a this-worldly frame of reference. It was also immediate. This was not pie in the sky, bye and bye. "For this commandment which I command thee this day, it is not hidden from thee, neither is it far off. It is not in heaven, that thou shouldest say, Who shall go

4. Sutton, *That You May Prosper*, p. 96.

up for us to heaven, and bring it unto us, that we may hear it, and do it? Neither is it beyond the sea, that thou shouldest say, Who shall go over the sea for us, and bring it unto us, that we may hear it, and do it? But the word is very nigh unto thee, in thy mouth, and in thy heart, that thou mayest do it" (vv. 11–14). Because the law was close to them—imbedded in their thoughts—the covenant's earthly blessings were also close to them. God announced this to a generation that was about to inherit the land.

B. Compound Economic Growth

The theme of compound economic growth is basic to the Book of Deuteronomy. As the fifth book in the Pentateuch, its theme is succession or inheritance. That is, its theme is the future. *God promised Israel that the nation would persevere and prosper if it remained faithful to God's law*. This perseverance was not merely a matter of linear succession; it was a matter of dominion. Dominion requires population growth. It requires personal wealth. It therefore requires compound economic growth. This is what God promised: "And the LORD thy God will make thee plenteous in every work of thine hand, in the fruit of thy body, and in the fruit of thy cattle, and in the fruit of thy land, for good: for the LORD will again rejoice over thee for good, as he rejoiced over thy fathers" (v. 9). But the basis of this process is obedience, both internal and external: "If thou shalt hearken unto the voice of the LORD thy God, to keep his commandments and his statutes which are written in this book of the law, and if thou turn unto the LORD thy God with all thine heart, and with all thy soul" (v. 10). To maintain the kingdom grant, Israel had to obey.

Here God promised Israel expanding wealth. In verse 16, He promised biological reproduction. God therefore promised to match population growth with economic growth. Population growth was not a threat to them. It would not produce increasing misery as the number of mouths increased without a comparable increase in the food to feed them. Nowhere in the Bible can we find a warning of increasing numbers of covenant-keeping people who are suffering hunger as a result of their increased numbers. Hunger, yes, but always in the context of an external imposition of various sanctions of death.

Men are called to choose life. The more who survive, the longer they can reproduce. The more they reproduce, the faster the growth of population. By choosing life in the context of God's covenant, men thereby choose growth. They choose dominion. They also choose re-

sponsibility, for with blessings and power come responsibility (Luke 12:48–49).[5] The extension of covenant-keeping man's dominion is the goal of the God's system of sanctions.

The modern intellectuals' hatred of both population growth and economic growth is indicative of a radical hatred of life, man, and God. That the legalization of abortion has accompanied the various zero-growth movements is not surprising. The humanist world is a *culture of death* because it is a culture built on a lie: "And thou say in thine heart, My power and the might of mine hand hath gotten me this wealth" (Deut. 8:17).[6] *This invocation of man's autonomy is suicidal.* "But he that sinneth against me wrongeth his own soul: all they that hate me love death" (Prov. 8:36). Two centuries of unprecedented economic growth and population growth have disturbed many God-haters who fear hell. They fear God's final judgment, as well they should. They see that compound growth in a finite universe points to one of two things: the end of growth or the end of time. Seeking to avoid dealing with the latter, they deny the legitimacy of the former. *The war on growth is a war on God. It is a war on man's dominion.*

It is the sign of a terrible compromise with evil that we now find Christians—generally academics who have spent their lives in humanist institutions—echoing anti-growth propaganda. Christians today are bombarded by alien messages from morning to night when they participate in the world around them. They pick up the clichés of humanists who dominate culture today. Christians have not been taught to think biblically, meaning covenantally, meaning judicially. They cannot sort out the wheat of common grace from the chaff of ethical rebellion. They pick up slogans from God-haters who are at war with the dominion covenant. They internalize bits and pieces of an alien worldview that is at war with the biblical doctrines of God, man, law, sanctions, and time. They do not recognize that they have joined the enemies of God. They have not self-consciously switched sides. Some have, of course: wolves in sheep's clothing.[7] But the typical Christian layman is stumbling through life in a kind of intellectual fog. He does not recognize his immediate surroundings: the fog of humanism.

5. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 28.

6. Chapter 21.

7. Gary North, *Crossed Fingers: How the Liberals Captured the Presbyterian Church* (Tyler, Texas: Institute for Christian Economics, 1996).

Conclusion

God calls on men to choose life. This passage makes it clear that at least four things are involved in choosing life: longer life spans, a greater number of heirs, greater wealth, and an arena of service to God. Also implied are greater authority, dominion, and responsibility. This is the meaning of biblical inheritance: an increase in the tools of dominion both individually and corporately and a commensurate increase in both personal and corporate responsibility for exercising dominion.

The positive sanction of life is contrasted with the negative sanction of death. But death in this context—the conquest of Canaan—meant removal from the Promised Land. Death meant life outside the land. It meant life under another nation's gods and governments. Death meant the tyranny of pagan idolatry because idolatry produces death. "But if thine heart turn away, so that thou wilt not hear, but shalt be drawn away, and worship other gods, and serve them; I denounce unto you this day, that ye shall surely perish, and that ye shall not prolong your days upon the land, whither thou passest over Jordan to go to possess it" (vv. 17–18). Idolatry is the way of spiritual death. Spiritual death leads to historical disinheritance.

Modern Christians, especially academic theologians, do not believe this. They insist that this historical cause-and-effect relationship ended with advent of the New Covenant. They are persuaded that historical cause and effect is either random or perverse. Either there is no relationship between idolatry and wealth or else the relationship is perverse: evil prospers and righteousness starves. Both views are antithetical to the concept of dominion by covenant, or at least dominion by God's covenant. Both views proclaim that dominion is by man's covenant. Because covenant-breaking man is dominant culturally today, the defender of random cause and effect proclaims the long-term victory of evil-doers by default.[8] In partial contrast is the defender of perverse cause and effect in history. He insists that covenant- breaking man extends dominion because covenant-breaking man possesses the wealth formula: power religion.[9]

In stark contrast to both views is dominion religion, which proclaims dominion by God's covenant. It rests on faith in the continu-

8. Gary North, *Millennialism and Social Theory* (Tyler, Texas: Institute for Christian Economics, 1990), ch. 7.

9. *Ibid.*, ch. 4; cf. North, *Political Polytheism: The Myth of Pluralism* (Tyler, Texas: Institute for Christian Economics, 1989), ch. 3.

ing applicability of God's law. Specifically, it rests on the Book of Deuteronomy, which sets forth God's law, God's sanctions, and the visible triumph of God's people in history. Deuteronomy tells men to choose life. This does not mean life lived in the shadows of history or life lived in a pietistic ghetto, meaning life lived in fear of the enemies of God, who supposedly hold the keys to the ghetto's door. It means a life of progressive dominion over the creation.

Part 5

SUCCESSION/INHERITANCE
(Deut. 31–33)

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COURAGE AND DOMINION

> *And the* Lord *shall do unto them as he did to Sihon and to Og, kings of the Amorites, and unto the land of them, whom he destroyed. And the* Lord *shall give them up before your face, that ye may do unto them according unto all the commandments which I have commanded you. Be strong and of a good courage, fear not, nor be afraid of them: for the* Lord *thy God, he it is that doth go with thee; he will not fail thee, nor forsake thee. And Moses called unto Joshua, and said unto him in the sight of all Israel, Be strong and of a good courage: for thou must go with this people unto the land which the* Lord *hath sworn unto their fathers to give them; and thou shalt cause them to inherit it. And the* Lord*, he it is that doth go before thee; he will be with thee, he will not fail thee, neither forsake thee: fear not, neither be dismayed.*
>
> DEUTERONOMY 31:4–8

The theocentric focus of this law is God as the sanctions-bringer in history. As such, we would expect this passage to be part of the fourth section of the book. Yet those commentators who have seen a five-part pattern in Deuteronomy identify chapter 31 as the beginning of the fifth section.[1] Kline treated this section as Moses' last testament. The passage begins with Moses' announcement of his great age: "And he said unto them, I am an hundred and twenty years old this day; I can no more go out and come in: also the Lord hath said unto me, Thou shalt not go over this Jordan" (v. 2). In this transition passage,

1. Meredith G. Kline, *Treaty of the Great King: The Covenant Structure of Deuteronomy: Studies and Commentary* (Grand Rapids, Michigan: Eerdmans, 1963), pp. 135–49; Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1980] 2010), ch. 5.

Moses spoke first to the nation, but then he spoke to Joshua. He was in the process of transferring his mantle of leadership to Joshua. The mark of this leadership was courage.

A. "Forward . . . March!"

This was a land law.[2] It invoked the immediately concluded wars against the kings on the wilderness side of the Jordan River. It referred to the immediate conquest. The assurance of specific victory over Canaan was tied to God's promise to Abraham (Gen. 15:16).[3]

Deuteronomy is the book of covenantal inheritance. The Book of Joshua marks a new covenant: the book of the conquest. God gave title to the Promised Land to Israel. Joshua would soon lead the people to impose the transfer. What Moses told Joshua in his last testament, the representatives of the nation repeated to Joshua after Moses' death. I cite the whole passage in order to prove my point. The language of courage is the language of conquest.

> Now after the death of Moses the servant of the LORD it came to pass, that the LORD spake unto Joshua the son of Nun, Moses' minister, saying, Moses my servant is dead; now therefore arise, go over this Jordan, thou, and all this people, unto the land which I do give to them, even to the children of Israel. Every place that the sole of your foot shall tread upon, that have I given unto you, as I said unto Moses. From the wilderness and this Lebanon even unto the great river, the river Euphrates, all the land of the Hittites, and unto the great sea toward the going down of the sun, shall be your coast. There shall not any man be able to stand before thee all the days of thy life: as I was with Moses, so I will be with thee: I will not fail thee, nor forsake thee. Be strong and of a good courage: for unto this people shalt thou divide for an inheritance the land, which I sware unto their fathers to give them. Only be thou strong and very courageous, that thou mayest observe to do according to all the law, which Moses my servant commanded thee: turn not from it to the right hand or to the left, that thou mayest prosper whithersoever thou goest. This book of the law shall not depart out of thy mouth; but thou shalt meditate therein day and night, that thou mayest observe to do according to all that is written therein: for then thou shalt make thy way prosperous, and then thou shalt have good success. Have not I commanded thee? Be strong and of a good courage; be not afraid, neither be thou dismayed: for the LORD thy God is with thee whithersoever thou goest (Josh. 1:1–9).

2. On land laws, see Appendix J.

3. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, 2012), ch. 23.

Notice the judicial frame of reference: "Only be thou strong and very courageous, that thou mayest observe to do according to all the law, which Moses my servant commanded thee: turn not from it to the right hand or to the left, that thou mayest prosper whithersoever thou goest" (v. 7).

The imagery here is based on a battlefield formation. The leader marches at the head of his troops. He is out in front. He is the point man, fully visible to the enemy and the target of the archers. Normally, this would be suicidal. The senior military commander stays at the rear, protected by his troops. But this image is different. *The leader is visible as the point man*. At his side there is no one. His officers and troops are behind him. This leader has his flanks unprotected. He can be blindsided if his troops fail to rush forward to protect him. Yet this passage indicates that the warrior who marches at the head of the army is not to look to the right or the left around him—at his undefended flanks, in other words. He is not to worry about his flanks. He is to keep his eyes on the enemy who is in front of him. He is also not to look to the right or the left as a way to escape. He is to march forward, into the valley of the shadow of death. He should fear no evil.

On what basis was Joshua expected to take this forward position? Only because God was serving as his senior commander. If Joshua and Israel pleased God, they would not have to worry about their flanks. They could march forward in safety and therefore great confidence. How could they please God? By obedience. God had promised to impose the negative sanctions of the law on their enemies. "And the LORD shall give them up before your face, that ye may do unto them according unto all the commandments which I have commanded you" (Deut. 31:5). This is why the people repeated Moses' words to Joshua: he was to stay within the narrow boundaries of God's law. His flanks and the army's flanks would be undefended apart from his obedience to the law.

The military strategy appropriate to such a formation is called a frontal assault. It assumes that the army can penetrate the enemy's defenses by overpowering them. Such a strategy assumes overwhelming offensive superiority. It is not an appropriate tactic for a smaller army, let alone a guerilla band. Only if a smaller army has either some remarkable superiority in weaponry or the advantage of surprise should it attempt a frontal assault. Yet the language of Joshua 1 points to a frontal assault.

Contrary to higher critics of the Bible, Israel had a very large army:

600,000 men. In addition, God was on their side. A frontal assault was the appropriate formation. It would strike terror into the hearts of their enemies. Here was a leader who did not fear the arrow, the stone, the javelin, or the chariot.

B. Narrow Is the Way

The covenant's sanctions are positive and negative. In a war, the positive sanctions for one army are negative sanctions for its rival. God had already promised them victory over future enemies that had temporarily conquered them. "And the LORD thy God will put all these curses upon thine enemies, and on them that hate thee, which persecuted thee" (Deut. 30:7). Therefore, how much more would He impose negative sanctions on the Canaanites, whose prophetic time had come (Gen. 15:16)!

The success of Israel's military strategy depended on ethics. Achan's secret theft of Jericho's banned goods led to the defeat of Israel at Ai (Josh. 7).[4] The stoning of Achan, his family, and his animals led to the victory over Ai (Josh. 8). Yet even in this case, the strategy was not based on a frontal assault. It was based on deception, whose success in turn rested on Israel's previous defeat. Achan's sin had altered the army's strategy.

The path to victory was a path of righteousness. City by city, Israel was to conquer Canaan. The nation was told to obey the law—all of the law—in order to achieve military victory. The path that mattered most was the ethical path. The law hedged them in. They were not to stray outside the boundaries of the law: either to the right or the left.

In a sense, this is also a matter of military strategy: the massed formation. The offensive army overpowers its enemy because it applies massive force to one section of the enemy's defensive line. The offensive army seeks a breakthrough in the enemy's line, which will split the enemy force into two uncoordinated and fearful smaller armies. This is the strategy of divide and conquer. The enemy commander keeps reserves for just this purpose: to send them into a breach in the line. To keep his army from breaking apart, he risks the lives of his reserves.

The massed formation of God's army is also a tightly knit formation. The wedge of the leader and his troops smashes into the enemy's defensive line, hopefully at its weakest point. The ethical imagery of

4. Gary North, *Disobedience and Defeat: An Economic Commentary on the Historical books* (Dallas, Georgia: Point Five Press, 2012), ch. 6.

the *straight and narrow path* is tied to the imagery of a *military formation*. The offensive army does not dissipate its force by spreading across the battlefield. It concentrates its force like a battering ram. This is the imagery of the narrow path. When covenant-keepers wander off this path into sins of all kinds, the army of the Lord is weakened and scattered across the battlefield. *It is men's adherence to God's law that keeps them in a tight formation*. Jesus warned: "Enter ye in at the strait gate: for wide is the gate, and broad is the way, that leadeth to destruction, and many there be which go in there at: Because strait is the gate, and narrow is the way, which leadeth unto life, and few there be that find it" (Matt. 7:13–14).[5]

C. Optimism and Victory

The language of this passage is military language. This was appropriate: Moses was passing leadership to Joshua, who would soon lead the nation into battle. Joshua was to be above all a military leader. Almost all of the Book of Joshua deals with the conquest and the subsequent partitioning of the inheritance in Canaan. Moses did his best to impart to the next generation the confidence which his own generation had lacked. It was their excessive fear of their enemies' sanctions and their insufficient of fear of God's sanctions that had kept them wandering for four decades in the wilderness. Moses had spent the final third of his life herding fearful sheep who kept wandering off ethically.

The context of this passage is the coming invasion of Canaan. The Israelites' confidence was to rest on two things: (1) their adherence to God's commandments (v. 5) and (2) His promise to previous generations (v. 7). Man's obedience and God's promises are linked covenantally.[6] But if this is true of the life-and-death matter of warfare, how much more is it true of the other areas of life!

This passage sets forth a fundamental principle of entrepreneurship: *knowledge is not sufficient; there must also be action*. A person who has accurate knowledge of the future must act in terms of this knowledge if his knowledge is to give him an advantage over those who do not know. In fact, knowledge without action can place the person in a worse position. He is paralyzed with fear of the future, which is why he cannot act. The person who is unaware of the future but

5. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 17.

6. Chapter 10.

who makes decisions that will produce profits in the future is better off than the person who knew, but who feared to act. *Ignorance is bliss compared to knowledge accompanied by fear-induced paralysis*.

Shakespeare places into Julius Caesar's mouth the phrase, "Cowards die many times before their deaths; the valiant never taste of death but once." The man who fears the future is at a disadvantage with a man who sees it and does not fear it. He may even be at a disadvantage with a man who does not see it and does not fear it. *The fear of failure hampers the righteous man*. This fear of risk and failure is part of the West's folk wisdom. We are told, "A bird in hand is worth two in the bush." Perhaps it is, but is it worth three? At some expected ratio, a bird in hand should be let loose so as to make possible a two-hand capture of a bushel full of birds. There are counter-insights in Western folk wisdom, such as "Nothing ventured, nothing gained" and "He who hesitates is lost."

The man who knows the future, but who then fails to act on his knowledge, is like a race track tout who knows which horse will win but neither bets nor convinces anyone else to bet on that horse. His knowledge will not affect the pre-race betting odds, nor will it make him any money. Or he is like a military commander who knows where his enemy's forces are, but fails to deploy his forces to take advantage of this knowledge.

Similarly, a definition of entrepreneurship that rests on knowledge of the future alone, without capital invested in terms of this knowledge, is a useless definition. It is not enough to know the ratio of present prices to future prices. The entrepreneur must have capital available to him that will enable him to buy present goods or sell future goods in order to take advantage between the actual ratio in the future and today's ratio, which reflects investors' inaccurate knowledge of the future. He must also have the courage of his convictions. He must put his money where his mind is. (Not where his mouth is, however. A wise entrepreneur will keep his mouth shut, since by opening it, he gives away valuable information that may affect the market's present/future price ratio, which he plans to take advantage of.)

The presence of optimism is not sufficient. There must also be accurate knowledge. Paul writes of the Jews' condemnation by God as having been the product of zeal without knowledge (Rom. 9:31–10:4). The zeal engendered by courage can lead to destruction as readily as knowledge without zeal. In military affairs, there has to be

a willingness to engage the enemy. In entrepreneurial affairs, there has to be a willingness to engage a future different from what one's competitors imagine it will be.

Conclusion

Moses gave to Joshua a command: be courageous. This meant that Joshua must move forward, not being deflected by concerns about what was going on at his right or his left. The same is true of our adherence to God's law. If we stick to God's revealed pathway, veering neither to the right nor the left, we shall be victorious. God will stand with us for His own glory, delivering His enemies into our hands.

Moses made it plain that action was required. Risks had to be taken. By whom? By Joshua, above all. His courage under fire would set the pattern for his men. It was a good sign that the Israelites commanded Joshua to be courageous after Moses' death. It indicated that they were ready to receive the long-promised inheritance. Title to the land had been transferred to them by Moses by the second reading of the law. Now it was time to collect.

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LAW AND LIBERTY

And Moses wrote this law, and delivered it unto the priests the sons of Levi, which bare the ark of the covenant of the LORD*, and unto all the elders of Israel. And Moses commanded them, saying, At the end of every seven years, in the solemnity of the year of release, in the feast of tabernacles, When all Israel is come to appear before the* LORD *thy God in the place which he shall choose, thou shalt read this law before all Israel in their hearing. Gather the people together, men, and women, and children, and thy stranger that is within thy gates, that they may hear, and that they may learn, and fear the* LORD *your God, and observe to do all the words of this law: And that their children, which have not known anything, may hear, and learn to fear the* LORD *your God, as long as ye live in the land whither ye go over Jordan to possess it.*

DEUTERONOMY 31:9–13

The theocentric focus of this law is God as the giver of the kingdom grant: the national inheritance. This is point five of the biblical covenant.[1]

A. The Year of Release

To maintain the kingdom grant, Israel's priests would have to read the Mosaic law publicly to the entire nation at the feast of Tabernacles (Booths). This was the annual week-long feast in Jerusalem that followed by five days the day of local celebration: the day of atonement (Lev. 23:27, 34). The priests and elders were responsible for the reading of the Mosaic law to the people, presumably Exodus 20–23. They may also have read the case laws of the other four books. This case law does not say.

1. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1988] 2010), ch. 5.

We might have expected that the law would have been read at Passover. Instead, it was read at Booths. Why? Because Booths was closely associated with the day of atonement. The day of atonement was the day of liberation for Israel. This law illustrates a fundamental principle of theology: *grace precedes law*. The day of atonement and day of release preceded the reading of the law. This was both a land law and a priestly law.[2] It no longer applies nationally. But the judicial principle that undergirds it—the need for covenant-keepers to hear biblical law—is still in force.

The year of release was the sabbatical year (Deut. 15). In this year, during the feast of Booths, all zero-interest charity loans to fellow Israelites and to resident aliens [*geyr*] were to be cancelled (Deut. 15:2). Any Israelite or resident alien who had been required to serve as a bondservant because he had defaulted on a charitable loan had to be released. He was to be given capital—food, wine, and herd animals—when he left (vv. 13–14).[3]

Consider the timing of the reading of the Mosaic law. Once every seven years, the entire nation was to assemble at Jerusalem. Five days earlier, poor people who still owned rural land had been released from charitable debts or any related debt bondage. As debt-free men, they came to Jerusalem to celebrate. There, they heard the law.

For a newly released bondservant, the reading of the law would have reminded him of the importance of obedience. He had fallen into debt through no moral fault of his own, at least in the opinion of his creditor. The way to avoid future debt bondage was to remain obedient to God's law, for the law promised external blessings for obedience. The Mosaic law was read to a nation of free men. It provided the guidelines for remaining free.

The year of release was associated with the jubilee year. In the year following the seventh sabbatical year—the sabbatical year of sabbatical years—the jubilee year was to take place. All rural land was to revert to the heirs of the conquest generation. This reversion was to take place on the day of atonement (Lev. 25:9). This means that Israel's other class of debtors also regained their freedom on that day. Those debtors who had defaulted on commercial loans had those debts cancelled and had their share of the ancestral land returned to them. Except for criminals sold into slavery to pay off debts to their

2. On land laws and priestly laws, see Appendix J.
3. Chapter 35.

victims,[4] and except for foreign slaves (Lev. 25:44–46),[5] the year of jubilee was to be Israel's universal year of release. Charitable debts had been cancelled the previous year. The nation had heard the reading of the law. Then came the jubilee.

B. One Nation Under God

Israel was truly one nation under God. This law made it clear that the entire nation was to hear the priests and elders read the law. These laws were civil laws, yet priests and elders read them. More than any other passage in the Bible, this one makes it clear: *there can be no absolute separation of church and state*. The two institutions can be differentiated, analogous to the ways in which the three persons of the Trinity are differentiated, but there can be no absolute separation. When it came to God's law, the priests and elders were required by God to read it publicly. Everybody residing inside the land, including strangers [*geyr*], was required to come to hear the law. God was the source of justice in Israel. The priests were the agents delegated by God to interpret His law. Interpretation was not a monopoly.

The nation was under God. One proof of this was the fact that all permanent residents were under biblical revealed law. This included strangers. They were required to hear the law read in public once every seven years, and not merely listen, but also pay for a journey to the central city. *They were all to participate in a national celebration of covenant renewal*. This was not limited to ecclesiastical covenant renewal, for strangers were required to attend.

It was at Booths that the 70 bulls were offered annually as sacrifices (Num. 29:13–32), presumably for the 70 nations that represented the gentiles (Jud. 1:7), and one additional bull (Num. 29:36), presumably for Israel. The day of atonement, celebrated locally, was immediately followed by Booths, which was celebrated nationally. Localism was followed by nationalism. The Levites were the tribe that represented the nation. They were a source of national unity.

C. The Rule of Specially Revealed Law

Moses commanded the priests and elders to gather the people together. By what authority did he tell them this? Not as high priest,

4. Gary North, *Tools of Dominion: The Case Laws of Exodus* (Tyler, Texas: Institute for Christian Economics, 1990), pp. 134–35.

5. Gary North, *Boundaries and Dominion: An Economic Commentary on Leviticus*, 2nd ed. (Dallas, Georgia: Point Five Press, [1994] 2012), ch. 30.

which he was not, but as the nation's prophet. He was God's delegated intermediary between God and Israel. As such, he laid down the law.

Civil law is common to all men who reside in a geographical area. The Bible teaches this. Those inside the boundaries of Israel were required to obey God's law. The Mosaic covenant mandated that God's law must apply to all men equally, thereby upholding the principle that the rule of law is to be upheld (Ex. 12:49).[6] Civil law in Mosaic Israel was revelational. Civil law in Israel was not the autonomous discovery of rational men searching the logic of their minds and the raw material of the creation.

Was attendance required by civil law? That is, were civil sanctions applied to those who refused to attend? No negative sanction is listed in the text. There would have been an ecclesiastical sanction: excommunication. This would have threatened a stranger who participated in Passover (Ex. 12:48). It would not have threatened a resident alien who did not attend Passover. It would have threatened an Israelite, for citizenship was based on membership in God's holy army. This membership was a priestly office, which is why members paid atonement money to the priests (Ex. 30:12–16).[7]

Access to the office of judge was based on participation in the national reading of the Mosaic law. What does this fact reveal about the authority of natural law in Israel? This: *what was judicially common to residents of Israel was not confession of faith but God's specially revealed law*. Those who were not eligible to serve as judges nevertheless had to obey the law. They were invited to attend Booths once every seven years in order to participate in a priestly ritual that served as national covenant renewal. Yet the stranger had not necessarily affirmed the national covenant by consenting to circumcision. He was supposed to attend, although no civil sanction threatened him for refusing to attend. His voice had no covenantal authority in renewing the covenant, for he did not possess the legal authority to impose civil sanctions. Yet he was supposed to attend.

Why should he have attended? First, to learn what the law expected of him. Second, to learn what the state was authorized to do to him if he broke the law. *This national day of legal education was a means of placing restrictions on both the church and the state*. The public

6. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 1, *Representation and Dominion* (1985), ch. 14.

7. *Ibid.*, Part 3, *Tools of Dominion* (1990), ch. 58.

reading of the Mosaic law gave to the listeners the means of defending themselves from evildoers, including officers of church and state. Residents were to be protected from each other by the law. They were strongly encouraged to attend the festival to hear the formal reading of the law. In a society in which there was no printing press and literacy was not common, this was an important way to place the authorities on a judicial chain. Men would understand their rights—their *legal immunities from the state*—because they had heard the law. The state could not lawfully prohibit the public reading of the law. It was the church that had been given the joint authority to read the law. The priests would have a part in making access to the law easier in Israel.

This limitation on civil power meant that *an independent legal hierarchy was present in Israel that would serve as a check on the state*. Any attempt by the state to restrict the priests from exercising their God-given authority to read the law before the nation would incur the resistance of the priests and the wrath of God.

D. Natural Law vs. Theocracy

Natural law theory rests on the assumption that there is a source of common ethics and common wisdom irrespective of theological confession. This common system of ethics is said to serve as the only legitimate basis of a common judicial system. This common legal order is supposedly accessible to all rational men, however men define rational. *This presumed commonality is the basis of the civil law's legitimacy*. Natural law is said to be grounded in the nature of man as a rational being, whether or not he was created by God. Because natural law supposedly possesses authority irrespective of theological confession, it is said to be the basis of civil government, for civil government has authority over all men who reside in a geographical area irrespective of their confession of faith. So runs the familiar intellectual defense of natural law theory.

The traditional Christian version of natural law theory adds that it is man in his office as God's image-bearer that establishes the possibility of natural law. It is God in His office as universal Father (Acts 17:26) rather than as the redemptive, adopting Father, who establishes civil government. The natural law theorist distinguishes between God the Creator and God the Redeemer in discussing natural law. God as Creator is universal; God as Redeemer is particular. It is God as universal who lays down the civil laws that all men must obey.

The Christian defender of natural law theory usually argues that

God placed Israel under the rule of a civil order that was particular. In God's redemptive-historical plan, Israel's narrow parochialism—grounded in God as *redeeming Father*—temporarily superseded the universal. Why, we are not told. It just did. The New Covenant, we are told, is the triumph of the universal. The New Covenant delivers us into the hands of civil rulers whose authority does not rest on their confession of God as Father, either universal or particular. Their civil confession of faith need be implicit only: *a confession of self-professed autonomous man as the universal*. Man is the law-giver because humanity is common to man.

The humanism of natural law theory is obvious. Prior to Darwin's implicit destruction of all natural law theory, natural law theory was Western humanism's primary judicial alternative to Christian law. Darwin destroyed men's faith in a common legal order grounded in man's reason. Why? Because men are individuals caught in a purposeless evolutionary process that has no fixed ethical standards.[8] Nevertheless, a few Christian social theorists still cling to a doctrine of humanistic law that has to be defended today by an appeal to biblical revelation: the doctrine of special creation. Only by invoking special creation can they save natural law theory from Darwinism. But the rationality of unredeemed mankind opposes the Bible's doctrine of special creation. So, Christian defenders of natural law theory wind up in the peculiar position of having to affirm the authority of biblical revelation in order to defend a theory of civil law that denies any independent civil authority of biblical revelation. They affirm that which common reason rejects as irrational or irrelevant. They do so in order to defend a system of humanistic civil law which rests on the assumption of the authority of common reason and common ethics. God as Redeemer is replaced by God as Creator. God as Creator is then said to legitimize the civil order of autonomous man. In this way, the city of man replaces the city of God in the political theory of fundamentalists, who hate the idea of biblical theocracy far more than they hate the reality of humanist theocracy. They turn over the right of civil rulership to humanists, and they believe they are doing God and society a favor in this pre-emptive surrender.

If men of all confessions can successfully govern themselves, as though they were covenant-keepers, by means of a civil law order that is in no way grounded on God's Bible-revealed law, then why did God

8. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, [1982] 2012), Appendix A.

require the Israelites to hear the reading of the Mosaic law? Why was *national covenant renewal* grounded in a public reading of the Mosaic law? If covenant-keepers in the New Testament era are not supposed to invoke the authority of biblical law as the justification of their efforts to establish a God-honoring civil government, then why was this insight not given to God's covenant people prior to the advent of Roman Stoicism? Why did God's people have to wait for Roman Stoics to discover the theory of natural law, by which they explained why Rome had the authority to create an empire out of the ruins of the Greek city-states? The Stoics in the era of the Roman empire provided a philosophical justification for that empire. A defense of empire had not been provided by the polytheism of classical religion, which had undergirded the autonomous city-states of Greece.[9] Yet Christians are expected to believe that God waited until the advent of the tyrannical Roman Empire in order to inform His covenant people of the sole authority of man's universal reason in establishing civil law. God supposedly raised up Stoic philosophers rather than prophets to bring this message to the church. Furthermore, it was not until tiny Rhode Island's Roger Williams in the early 1640s discovered pluralism's principle of religiously neutral civil commonwealth that God's church was presented with this theory in the name of Christianity.[10] This implicit theory of the origins of civil freedom seems an odd one for Christian intellectuals to hold, but they do. They refuse to state it this baldly, but they do believe it. Their theory of natural law demands it.[11]

This text forces us to consider the obvious fact that in order to preserve liberty in Mosaic Israel, the nation corporately had to hear the law once every seven years. The basis of judicial liberty was not the interior speculations of everyman. *The basis of judicial liberty in Israel was obedience to God's specially revealed law*. What the modern Christian political pluralist must maintain is that judicial liberty comes from the common-ground logic and/or experience of covenant-breaking man. It is not the Bible, he insists, that presents the basis of liberty; rather, God's enemies do. There supposedly has to be some common-ground moral vision which unites covenant-breakers and covenant-keepers, and this vision must serve all mankind as the basis of liberty.

9. Sheldon Wolin, *Politics and Vision: Continuity and Innovation in Western Political Thought* (Boston: Little, Brown, 1960), pp. 77–82.

10. Gary North, *Political Polytheism: The Myth of Pluralism* (Tyler, Texas: Institute for Christian Economics, 1989), pp. 249–50.

11. See Appendix H: "Week Reed: The Politics of Compromise."

Adam's Fall has therefore not seriously blinded men to moral truth. Covenant-keeping rational man holds back or suppresses the truth in unrighteousness (Rom. 1:18),[12] yet somehow this process of self-imposed blindness does not undermine the outcome of his moral reason, a moral reason shared by all rational men. Covenant-breaking man's moral and judicial speculations are said to possess greater authority than the Mosaic law does, or than the Bible as a whole does, or so we are assured by modern defenders of natural law theory, whether Christian or pagan.

E. Biblical Economics

Biblical economists should take a stand against the rationalist's claim that only that which is common to all men's reason is epistemologically valid. This is the modern economist's defense of *wertfrei*: value-neutral logic. He defends this nineteenth-century epistemological doctrine with greater enthusiasm and confidence than representatives of the other social sciences do. Biblical economics does not rest on faith in any theory of epistemological neutrality. It recognizes that any claim of epistemological neutrality evaporates as a result of a key doctrine of modern economics: the scientific impossibility of making interpersonal comparisons of subjective utility.[13] There is no common objective scale of subjective values; there is no measuring device. Thus, according to the epistemological assumptions of methodological individualism, there can be no such thing as applied economics.[14] Between the theoretical speculations of the economist and the world of economic advice and policy-making there can be no connection made without destroying the doctrine of exclusively subjective value. This, no non-Marxist economist wants to admit.

The correct solution to this epistemological dilemma is an appeal to the Bible: the covenantal doctrines of God's absolute sovereignty, man as made in God's image, the world under God's law (including Bible-revealed law), God as the sovereign evaluator/imputer, and judicial continuity. It is through the twin doctrines of God's creation and providence that we can discover ways of reconciling subjective value and objective value. It is in the doctrine of the Trinity that we

12. Gary North, *Cooperation and Dominion: An Economic Commentary on Romans*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 2.

13. Lionel Robbins, *An Essay on the Nature and Significance of Economic Science* (London: Macmillan, 1932), ch. 6.

14. See Appendix A, section on "Value Theory at an Epistemological Impasse." See also Appendix B.

can discover ways of reconciling the personal imputation of subjective value with the corporate imputation of objective value.[15]

Conclusion

The nation of Israel was told by God to assemble at a central city once every seven years, in order to hear the public reading of God's revealed law. God did not call them into university classrooms to cogitate on the inherent wisdom of the common man. He did not call them to devise systems of law that would be acceptable to covenant-breaking strangers in the land. Instead, He called them to corporate covenant renewal through hearing the priests read the Mosaic law. *No passage in the Bible more clearly reveals the illegitimacy of political pluralism and its corollary, natural law theory*.

By undermining natural law theory, this passage also undermines the case for value-free economics. A correct understanding of the law of God rests on a theory of Bible-revealed law. So does a correct understanding of the laws of economics.

Law and liberty are linked by biblical law. This includes political liberty and economic liberty. While the natural man can, through common grace,[16] understand a great deal about the creation, his presupposition regarding the availability of true knowledge apart from the written revelation of the God of the Bible is incorrect. Liberty begins with God's grace and is sustained by God's grace, which includes the grace of biblical law.

15. North, *Authority and Dominion*, Appendix H.

16. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1984).

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A COVENANTAL SONG OF NEAR-DISINHERITANCE

And the Lord *said unto Moses, Behold, thou shalt sleep with thy fathers; and this people will rise up, and go a whoring after the gods of the strangers of the land, whither they go to be among them, and will forsake me, and break my covenant which I have made with them. Then my anger shall be kindled against them in that day, and I will forsake them, and I will hide my face from them, and they shall be devoured, and many evils and troubles shall befall them; so that they will say in that day, Are not these evils come upon us, because our God is not among us? And I will surely hide my face in that day for all the evils which they shall have wrought, in that they are turned unto other gods.*

DEUTERONOMY 31:16–18

The theocentric focus of this passage is God as the maintainer of the kingdom grant. The grant was the inheritance: point five of the covenant.[1]

This was not a law. It was a prophecy. God told Moses that Israel would surely rebel against Him after they entered the Promised Land. The very prosperity of that land would lead them astray. "For when I shall have brought them into the land which I sware unto their fathers, that floweth with milk and honey; and they shall have eaten and filled themselves, and waxen fat; then will they turn unto other gods, and serve them, and provoke me, and break my covenant" (v. 20).

God instructed Moses to write a song. This song would provide an account of God's deliverance of Israel—not out of Egypt, but rather out of the wilderness. It would begin with the fourth generation's in-

1. Ray R. Sutton, *That You May Pros per: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), ch. 5. Gary North, *Unconditional Surrender: God's Program for Victory*, 5th ed. (Powder Springs, Georgia: American Vision, [1988] 2010), ch. 5.

heritance of the land. "And it shall come to pass, when many evils and troubles are befallen them, that this song shall testify against them as a witness; for it shall not be forgotten out of the mouths of their seed: for I know their imagination which they go about, even now, before I have brought them into the land which I sware" (v. 21).

The song begins with a statement of God's sovereignty: "He is the Rock, his work is perfect: for all his ways are judgment: a God of truth and without iniquity, just and right is he" (Deut. 32:4). This is point one of the biblical covenant.

Point two describes Israel's rebellion against God's hierarchy: "They have corrupted themselves, their spot is not the spot of his children: they are a perverse and crooked generation. Do ye thus requite the LORD, O foolish people and unwise? is not he thy father that hath bought thee? hath he not made thee, and established thee?" (vv. 5–6)

Point three describes God's establishment of the boundaries of the nations and of Israel (v. 8). He led them inside the boundaries of the wilderness (vv. 10–12).

Point four describes God's positive sanctions: food in abundance (vv. 13–14). This led to Israel's fatness and her subsequent loss of faith: sacrificing to false gods (vv. 15–16), i.e., a new oath and new covenant. This produced negative sanctions (vv. 20–22). "I will heap mischiefs upon them; I will spend mine arrows upon them" (v. 23).

Point five, disinheritance, would not come, not for Israel's sake, but for the honor of God's name. "I said, I would scatter them into corners, I would make the remembrance of them to cease from among men: Were it not that I feared the wrath of the enemy, lest their adversaries should behave themselves strangely, and lest they should say, Our hand is high, and the LORD hath not done all this" (vv. 26–27). But Israel would not recognize this as God's motivation during her rebellion. "For they are a nation void of counsel, neither is there any understanding in them. O that they were wise, that they understood this, that they would consider their latter end!" (vv. 28–29).

The arrogance of the enemy nations would bring them down. "To me belongeth vengeance, and recompence; their foot shall slide in due time: for the day of their calamity is at hand, and the things that shall come upon them make haste. For the LORD shall judge his people, and repent himself for his servants, when he seeth that their power is gone, and there is none shut up, or left" (vv. 35–36). This meant that the disinheritance that would rightfully come upon Israel would instead be replaced by a new inheritance. This would produce

the disinheritance of those nations that would serve as God's rods of iron against Israel. "Rejoice, O ye nations, with his people: for he will avenge the blood of his servants, and will render vengeance to his adversaries, and will be merciful unto his land, and to his people" (v. 43). This ended the song of Moses (v. 44).

Moses then called on the nation to obey the law: "And he said unto them, Set your hearts unto all the words which I testify among you this day, which ye shall command your children to observe to do, all the words of this law" (v. 46). Obedience is the basis of life: "For it is not a vain thing for you; because it is your life: and through this thing ye shall prolong your days in the land, whither ye go over Jordan to possess it" (v. 47). Once again, obedience is here identified as the basis of maintaining the kingdom grant.

Moses was then instructed by God to climb Mt. Nebo, so that he could see the land into which he would not be allowed to march (v. 49). Disobedience had kept him outside the land (vv. 51–52). What was true of Moses would surely be true for Israel: disobedience would undermine the inheritance.

Conclusion

The chief inheritance of Israel was the law itself. "Moses commanded us a law, even the inheritance of the congregation of Jacob" (Deut. 33:4). The law was their tool of dominion, the standard of their continuing economic inheritance.

Moses then blessed each of the tribes as his last will and testament, just as Jacob had done with his twelve sons in Egypt. The expulsion of the Canaanites was imminent:

> The eternal God is thy refuge, and underneath are the everlasting arms: and he shall thrust out the enemy from before thee; and shall say, Destroy them. Israel then shall dwell in safety alone: the fountain of Jacob shall be upon a land of corn and wine; also his heavens shall drop down dew. Happy art thou, O Israel: who is like unto thee, O people saved by the Lord, the shield of thy help, and who is the sword of thy excellency! and thine enemies shall be found liars unto thee; and thou shalt tread upon their high places (vv. 27–29).

Moses then did as he had been told: he went up Mt. Nebo to see the Promised Land. Then he died. But before he died, he transferred leadership to Joshua by the laying on of hands (v. 9). This represented the transfer of inheritance to Israel.

CONCLUSION

Moses commanded us a law, even the inheritance of the congregation of Jacob.

DEUTERONOMY 33:4

The Book of Deuteronomy is the Pentateuch's book of inheritance. The fifth and final section of Deuteronomy has to do with inheritance in the broadest sense. The primary inheritance of Israel was God's specially revealed law. This was Israel's tool of dominion.[1] Obedience to the law was Israel's basis of maintaining the inheritance and extending it in history. But it was not sufficient for Israel to maintain the inheritance; Israel had to extend it. There is a war in history between God's kingdom and Satan's. There is no permanent peace treaty between these two kingdoms. There is no neutrality. There can be no stalemate. Israel forgot this, which is why the kingdom was removed from her (Matt. 21:43). Modern Christians also tend to forget this.[2]

Moses consummated his writing of the book of the inheritance with a series of blessings, tribe by tribe (Deut. 33:6–25), just as Jacob had, almost two and a half centuries earlier (Gen. 49).[3] As for the nation, Moses said, "Happy art thou, O Israel: who is like unto thee, O people saved by the LORD, the shield of thy help, and who is the sword of thy excellency! and thine enemies shall be found liars unto thee; and thou shalt tread upon their high places" (Deut. 33:29). Then he went off to Mt. Nebo to die. But before he did, he laid hands on Joshua. "And Joshua the son of Nun was full of the spirit of wisdom; for Moses had laid his hands upon him: and the children of

1. Gary North, *Authority and Dominion: An Economic Commentary on Exodus* (Dallas, Georgia: Point Five Press, 2012), Part 3, *Tools of Dominion* (1990).

2. Gary North, *Backward, Christian Soldiers? An Action Manual for Christian Reconstruction* (Tyler, Texas: Institute for Christian Economics, [1984] 1988), ch. 11.

3. Israel's sojourn inside the boundaries of Egypt was 215 years. North, *Authority and Dominion*, ch. 1:A.

Israel hearkened unto him, and did as the LORD commanded Moses" (Deut. 34:9). This completed the transfer of authority from Moses to Joshua. This was Joshua's long-awaited inheritance.

Deuteronomy presents a recapitulation of the Mosaic law. The inheriting generation was required to affirm their commitment to this law. In this sense, Deuteronomy is a book of covenant renewal. This would seem to place the book under point four of the covenant: oath. But the book also involves the transfer of the judicial inheritance to the generation of the conquest. In this sense, Deuteronomy is an aspect of point five: succession. This is another reason why I believe that points four and five of the biblical covenant are so intimately related. In fact, the full consummation of Deuteronomy did not take place until the Israelites had crossed over Canaan's boundary (point three) and were circumcised (point four) at Gilgal (Josh. 5:3). Israel had to be circumcised before the historical transfer of title to Canaan could take place. The covenant oath that was implied by circumcision was mandatory prior to Israel's receiving the inheritance of Canaan. We can say that the inheritance of the law and the re-affirmation of the promise came with the Book of Deuteronomy. The historical inheritance of Canaan by Israel is described in the Book of Joshua. *Circumcision confirmed confession*. More than this: *circumcision constituted confession*. It was an oath-sign.[4]

Deuteronomy sets forth the legal basis of Israel's inheritance of Canaan. It presents God's law and refers to the sanctions attached to this law-order. Israel's acceptance of this covenant document was to serve as the judicial basis of the oath-sign to be imposed across the Jordan. *The transfer of the law was the covenantal basis of the transfer of the inheritance*. In this sense, the law was Israel's primary inheritance: received first. The Promised Land was the secondary inheritance: received second.

A. Promise and Conditions

There could be no legitimate doubt that this generation would inherit. It was the fourth generation after Jacob's descent into Egypt. "But in the fourth generation they shall come hither again: for the iniquity of the Amorites is not yet full" (Gen. 15:16).[5] Nevertheless, the

4. Meredith G. Kline, *By Oath Consigned: A Reinterpretation of the Covenant Signs of Circumcision and Baptism* (Grand Rapids, Michigan: Eerdmans, 1968), ch. 3.

5. Gary North, *Sovereignty and Dominion: An Economic Commentary on Genesis* (Dallas, Georgia: Point Five Press, 2012), ch. 23.

fulfillment of this promise was conditional. First, Israel formally had to subordinate the nation to God (point two) by affirming God's law (point three) and its historical sanctions (point four). The proof of their acceptance of the law's historical sanctions was their willingness to submit to the oath-sign of circumcision. Without such ritual submission, they could not become true sons of Abraham and therefore heirs of the promise to Abraham. There should be no doubt here: *the Abrahamic promise was conditional*. Had the Israelites rejected God by rejecting His law, as manifested by their refusal to be circumcised, they would not have inherited. They could *inherit the law* without circumcision, and they did (Deuteronomy), but they could not *inherit the land* without circumcision (Joshua).

This conditionality of the Abrahamic covenant creates a minor theological problem that is easy to solve. Unfortunately, it has long been dealt with by theologians as if it were a major problem that is very difficult to solve. Here is the problem: How can a promise made by God and then sealed by His oath be conditional? If the fulfillment of an oath-bound covenantal promise is conditional, then its fulfillment in history seems to depend on man rather than God. Sovereignty is thereby transferred to man. How can this be?

The correct and relatively simple answer is theological: *the fulfillment of God's promises is secured by God's sovereign decree*. God does not predestinate in a vacuum. He does not predestinate single events within a contingent historical framework. When He announces a promise or a prophecy, His sovereign decree secures the comprehensive historical conditions necessary for its fulfillment. God's sovereignty over history at no point is transferred to man. God retains it absolutely. The complete fulfillment of the covenant's conditions is as secure as the complete fulfillment of the promise.

It is one of those oddities of ecclesiastical history that Calvinist theologians who call themselves covenant theologians have debated the fine points of conditional versus unconditional promises. I do not understand why. Of all theologians who should not bother to debate this topic in an either/or framework, Calvinists ought to be first in line. It is only in Calvinism's twin doctrines of predestination and the absolute sovereignty of God that we find a solution to this theological problem. It is time to say it loud and clear: *there is no such thing as an unconditional covenantal promise*. To imagine that there is such a thing is to imagine that the covenants of God were not secured by the perfect life, death, resurrection, and ascension of Jesus Christ. *Ev-*

erything in history after God's cross-examination of Adam and Eve has been conditional on the work of Jesus Christ in history. Was there any possibility that Jesus would not fulfill these conditions? Not a chance: "And truly the Son of man goeth, as it was determined: but woe unto that man by whom he is betrayed!" (Luke 22:22). This means, ultimately, that *there is no such thing as chance*. God promised Adam and Eve the following: "And I will put enmity between thee and the woman, and between thy seed and her seed; it shall bruise thy head, and thou shalt bruise his heel" (Gen. 3:15). Was this promise conditional on Christ's advent and perfect work in history? Of course. Was there any chance that the covenant's conditions would not be fulfilled by Christ? None. *This promise was conditional on Christ's work, yet there was no possibility that these conditions would not be met perfectly by Christ's work*.

Obviously, some promises are more openly ethical and conditional than others, in the sense that the outcome of the promise can be different from what was predicted. This is the case with some covenant lawsuits. The best representative example is Jonah's warning to Nineveh: "Yet forty days, and Nineveh shall be overthrown" (Jonah 3:4b). Nineveh believed this and repented (turned around). "And God saw their works, that they turned from their evil way; and God repented of the evil, that he had said that he would do unto them; and he did it not" (v. 9). They repented; God also repented. But other covenant lawsuits have been predestined to come out just as God had promised: badly for the accused. "Then shalt thou say unto them, Thus saith the LORD, Behold, I will fill all the inhabitants of this land, even the kings that sit upon David's throne, and the priests, and the prophets, and all the inhabitants of Jerusalem, with drunkenness. And I will dash them one against another, even the fathers and the sons together, saith the LORD: I will not pity, nor spare, nor have mercy, but destroy them" (Jer. 13:13–14). And so He did. Jeremiah was not to pray otherwise.

> And now, because ye have done all these works, saith the LORD, and I spake unto you, rising up early and speaking, but ye heard not; and I called you, but ye answered not; Therefore will I do unto this house, which is called by my name, wherein ye trust, and unto the place which I gave to you and to your fathers, as I have done to Shiloh. And I will cast you out of my sight, as I have cast out all your brethren, even the whole seed of Ephraim. Therefore pray not thou for this people, neither lift up cry nor prayer for them, neither make intercession to me: for I will not hear thee (Jer. 7:13–16).

Because the office of prophet ceased after A.D. 70,[6] all covenant lawsuits today are of the Jonah variety: repentance must always be assumed to be an option for the hearers. No one lawfully brings a New Covenant lawsuit that does not offer the option of repentance. God no longer reveals in advance the specific outcome of a particular covenant lawsuit: blessing or cursing. In this sense, all New Covenant lawsuits are *specially* conditional, i.e., their outcome is unknown to man, because the response of the accused is unknown to man. We must also affirm that, judicially speaking, all covenant lawsuits, promises, and prophecies are *generally* conditional: there is no escape from God's sanctions in history. What the future response of men would be was not always clear to those who heard these lawsuits, promises, and prophecies in the Old Covenant. But sometimes it was clear. For example, God did not offer Nineveh's option of repentance to the Amorites of Canaan. The Amorites' iniquity would surely be filled, not emptied by their repentance. Yet even in this case, the Gibeonites cleverly subordinated themselves to God through subordination to Israel, and they escaped the promised destruction (Josh. 9).

B. Compound Growth and National Covenant Renewal

Deuteronomy presents a covenant theology that allows for compound growth, both of population and the economy. More than this: *growth is presented as morally mandatory*. Put another way, the absence of growth is seen as a sign of God's curse. This growth-oriented outlook distinguished biblical religion from all other ancient religions. The key elements of Deuteronomy's covenant theology are found in Deuteronomy 8.[7]

First, there was a promise of population growth. This promise was conditional on Israel's obedience. "All the commandments which I command thee this day shall ye observe to do, that ye may live, and multiply, and go in and possess the land which the LORD sware unto your fathers. And thou shalt remember all the way which the LORD thy God led thee these forty years in the wilderness, to humble thee, and to prove thee, to know what was in thine heart, whether thou wouldest keep his commandments, or no" (Deut. 8:1–2).

Second, there was a warning attached to the promised blessing of economic growth. This is because economic growth leads to a temptation: the temptation of autonomy. "And when thy herds and thy

6. Chapter 33.
7. Chapters 17–23.

flocks multiply, and thy silver and thy gold is multiplied, and all that thou hast is multiplied; Then thine heart be lifted up, and thou forget the LORD thy God, which brought thee forth out of the land of Egypt, from the house of bondage; Who led thee through that great and terrible wilderness, wherein were fiery serpents, and scorpions, and drought, where there was no water; who brought thee forth water out of the rock of flint; Who fed thee in the wilderness with manna, which thy fathers knew not, that he might humble thee, and that he might prove thee, to do thee good at thy latter end; And thou say in thine heart, My power and the might of mine hand hath gotten me this wealth" (Deut. 8:13–17).[8]

Third, there was a declaration of the inescapability of blessings. These blessings were built into the Mosaic law. *Here, in one verse, is the most important single statement in ancient literature regarding the possibility of long-term economic growth*. "But thou shalt remember the LORD thy God: for it is he that giveth thee power to get wealth, that he may establish his covenant which he sware unto thy fathers, as it is this day" (v. 18).[9] The unique blessing of the power to get wealth serves as a means of confirming God's covenant in history. I say *serves*, not served. This covenant is still in force. He who denies this also implicitly denies the possibility of Christian economic theory.[10]

Consider the implications of cause-and-effect relationships among external covenant-keeping, visible wealth, and covenantal confirmation. The visible blessings that result from covenant-keeping are designed to increase men's faith in God and His covenant. The covenant's confirmation by corporate economic growth becomes a motivation for corporate covenant renewal. Greater corporate faith is supposed to produce greater spiritual maturity, which in turn is to produce greater corporate blessings. Economists call such a process *positive feedback*. Here we have a vision of that most wonderful of all

8. Chapter 21.

9. Chapter 22.

10. Sometimes this rejection of biblical economic theory is explicit. See the comments of William Diehl, cited in my Preface, under "The Hatred of God's Law." He displayed near contempt for my heavy reliance on Deuteronomy in my biblical defense of the free market. Then he went on to deny the legitimacy of biblical economic theory: "The fact that our Scriptures can be used to support or condemn any economic philosophy suggests that the Bible is not intended to lay out an economic plan which will apply for all times and places. If we are to examine economic structures in the light of Christian teachings, we will have to do it in another way." William E. Diehl, "A Guided-Market Response," in Robert Clouse (ed.), *Wealth and Poverty: Four Christian Views of Economics* (Downers Grove, Illinois: InterVarsity Press, 1984), p. 87. He was reacting to my article defending free market capitalism. That article is reprinted as Appendix E.

social wonders: *compound economic growth*. Deuteronomy 8 tells us that it is possible for a society to sustain corporate economic growth by means of corporate covenantal obedience. This means that limits to growth can be overcome progressively. More than this: they must be steadily overcome. *Compound corporate economic growth is an ethical imperative because corporate obedience to God is an ethical imperative*. Economic growth is a social imperative, not an option.

The compounding process eventually produces an exponential curve: a number approaching infinity as a limit. But, in a finite world, nothing grows forever.[11] In a finite world, an exponential curve reaches environmental limits very fast. Population growth is the most obvious example. Yet we are told in Deuteronomy 8 that wealth can compound indefinitely. By this, God means *finitely*. The ultimate environmental limit to growth is time. If growth continues over time in a world of economic scarcity, including living space, time must run out. It will run out before covenant-keeping men reach society's physical limits to growth. This covenantal fact points clearly to the near-term consummation of history if men remain faithful to God by obeying His law. Time runs out when God's people obey Him and reap their appropriate reward: approaching the objective limits to growth.

Prior to the end of history, that which will bring economic growth to a halt is not any environmental limit to growth, but rather corporate sin. "And it shall be, if thou do at all forget the LORD thy God, and walk after other gods, and serve them, and worship them, I testify against you this day that ye shall surely perish. As the nations which the LORD destroyeth before your face, so shall ye perish; because ye would not be obedient unto the voice of the LORD your God" (vv. 19–20).[12] Or, as John described it in the Book of Revelation, "And when the thousand years are expired, Satan shall be loosed out of his prison, And shall go out to deceive the nations which are in the four quarters of the earth, Gog and Magog, to gather them together to battle: the number of whom is as the sand of the sea. And they went up on the breadth of the earth, and compassed the camp of the saints about, and the beloved city: and fire came down from God out of heaven, and devoured them. And the devil that deceived them was cast into the lake of fire and brimstone, where the beast and the

11. Gary North, "The Theology of the Exponential Curve," *The Freeman* (May 1970; reprinted in Gary North, *An Introduction to Christian Economics* (Nutley, New Jersey: Craig Press, 1973), ch. 8.

12. Chapter 23.

false prophet are, and shall be tormented day and night for ever and ever" (Rev. 20:7–10). In short, bad guys finish last.

C. Pessimillennialism vs. Inheritance

Moses' argument regarding the forthcoming conquest of Canaan rested on the presence of predictable corporate sanctions: "Behold, I set before you this day a blessing and a curse; A blessing, if ye obey the commandments of the LORD your God, which I command you this day: And a curse, if ye will not obey the commandments of the LORD your God, but turn aside out of the way which I command you this day, to go after other gods, which ye have not known" (Deut. 11:26–28). If there had been no judicial connection between God's law and His predictable corporate sanctions in history, then Israel's fulfillment of God's definitive promise to Abraham regarding the inheritance would have had no value as a confirmation of God's covenant. But God had already told them that their wealth would come as a confirmation of the covenant (Deut. 8:18).[13] *To separate law, sanctions, and inheritance is to deny the biblical covenant*. They are part of an integrated whole. To ignore either the one (integration) or the many (each part) is a mistake.

The suggestion that God's covenant laws and sanctions still apply in New Covenant history is an affront to most schools of theological opinion, Christian and non-Christian. By linking Bible-revealed law and corporate historical sanctions, the covenant theologian makes a statement regarding the growth of the kingdom of God in history. He argues that the kingdom of God will progressively extend its authority across borders. God enables His people to redeem—buy back—all rival covenant-breaking social orders. God supplies them with the tools necessary for this redemption, beginning with His law.[14] "The rich get richer and the poor get poorer" is a biblical concept that has been stolen and re-branded by covenant-breakers. When the rich get richer by covenantal faithfulness through serving customers, the poor who break God's law are supposed to get poorer *in relation to* covenant-keepers.[15] This process of compound economic and demographic growth for covenant-keepers and compound losses for cov-

13. Chapter 22.

14. North, *Authority and Dominion*, Part 3, *Tools of Dominion*.

15. I am not arguing that they get absolutely poorer. The free market social order makes almost all people richer over time: the collective effect of slow but steady compound economic growth. Gary North, *Priorities and Dominion: An Economic Commentary on Matthew*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 27.

enant-breakers is the covenant's framework. This process transfers the inheritance to covenant-keepers over several generations. This is God's plan for the ages.

Pessimillennialists[16] and humanists deny this. A growth-oriented outlook calls into question the premillennialist's assertion that the church must fail in its attempt to fulfill the Great Commission until Jesus returns in person to set up a world-wide bureaucracy, probably with headquarters in Jerusalem. (The dispensationalist insists that this is where headquarters must be; the historic premillennialist is silent on this topic.) Until Jesus returns, says the premillennialist, the church will experience successes and failures, but it will not experience the continuity of growth and cultural victory. The amillennialist agrees with the premillennialist's view of church history. He adds, however, that there will be no era of millennial blessings in history under Christ returned to earth. The amillennialist, in Rushdoony's words, is a premillennialist without earthly hope.

It is not surprising that premillennialists and amillennialists agree that biblical law is no longer valid in New Covenant times. If valid, biblical law's predictable corporate sanctions would lead to the inheritance of the earth by covenant-keepers and the disinheritance of covenant-breakers. That is, if biblical law and its mandatory sanctions are still in force, there is a covenantal basis for predicting that God's plain prophecies will be fulfilled in history. Let us review:

> His soul shall dwell at ease; and his seed shall inherit the earth (Ps. 25:13).
>
> For evildoers shall be cut off: but those that wait upon the LORD, they shall inherit the earth (Ps. 37:9).
>
> But the meek shall inherit the earth; and shall delight themselves in the abundance of peace (Ps. 37:11).

This inheritance is the kingdom of God. It is a kingdom visibly manifested by growth in history. Daniel told Nebuchadnezzar:

> Thou sawest till that a stone was cut out without hands, which smote the image upon his feet that were of iron and clay, and brake them to pieces. Then was the iron, the clay, the brass, the silver, and the gold, broken to pieces together, and became like the chaff of the summer threshingfloors; and the wind carried them away, that no place was found for them: and the stone that smote the image became a great mountain, and filled the whole earth (Dan. 2:34–35).

16. The term is F. N. Lee's.

> And in the days of these kings shall the God of heaven set up a kingdom, which shall never be destroyed: and the kingdom shall not be left to other people, but it shall break in pieces and consume all these kingdoms, and it shall stand for ever. Forasmuch as thou sawest that the stone was cut out of the mountain without hands, and that it brake in pieces the iron, the brass, the clay, the silver, and the gold; the great God hath made known to the king what shall come to pass hereafter: and the dream is certain, and the interpretation there of sure (Dan. 2:44–45).

I keep repeating these kingdom-inheritance verses because they are not believed by modern Christians. Christians read them and then immediately deny them. Premillennialists remove the fulfillment of these prophecies from church history and place their fulfillment in the millennial age, when Jesus will rule in person. Premillennialists insist on a radical discontinuity between the work of today's Christians and the work of those who will rule with Christ during the millennial kingdom. Premillennialists affirm the legitimacy of a literal interpretation of these prophecies of victory, but they deny the legitimacy of institutional continuity between the church's work today and the era of fulfillment. *They deny the legitimacy of Christians' hope in their own efforts to leave behind a comprehensive covenantal inheritance in history*. Nothing of lasting value survives the seven-year Great Tribulation, according to dispensationalism. The church's legacy will be lost.[17]

In contrast, amillennialists deny that these prophecies are to be taken literally. They affirm continuity between the church's work today and the future, but then they categorically deny that there will ever be a cultural victory for Christianity. They "spiritualize" away Christians' victory and earthly inheritance. They convert the Bible's clear language regarding an earthly inheritance into an unearthly inheritance. They convert the visible historical triumph of Christian culture—Christendom—into an invisible mental triumph of isolated, besieged Christians who find themselves in the midst of a triumphant covenant-breaking culture.[18]

The postmillennialists, few in number today, alone assert both the literal fulfillment of these prophecies and the covenantal continuity between the past and future. In other words, they assert a progressive

17. The dispensational movement's theologians refuse to discuss publicly this aspect of their eschatology, but the conclusion is implied by the system and acted on by the movement's lay followers. They care nothing about building anything that will be left behind after the Rapture.

18. Kenneth L. Gentry, Jr., *He Shall Have Dominion: A Postmillennial Eschatology*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, 1997), Appendix A.

continuity of victory. Postmillennialists insist that each generation of Christians inherits a legacy from earlier generations, and each generation has a moral obligation to increase this legacy and then transfer it to those who follow. Postmillennialists insist on the *continuity of growth*: the compounding process.

For this reason, pessimillennialists stand arm in arm rejecting postmillennialism.[19] Premillennialists despise postmillennialism's assertion of historical continuity, while amillenialists despise postmillennialism's assertion of Christianity's literal cultural victory in history. Both sides agree to oppose the common enemy. Both sides wallow in the visible failure of today's eschatologically disarmed Christianity, which they themselves have disarmed. Both sides proclaim today's set-backs for Christianity as the wave of the future until Jesus comes again in person. Both sides, in the final (eschatological) analysis, believe that the work of the Holy Spirit is to oversee the near-total defeat of His kingdom in history. Premillennialists and amillennialists agree: there is no corporate earthly hope for Christians until Jesus replaces the Holy Spirit in history by returning bodily in power and judgment, either millennial judgment (premillennialism) or final judgment (amillennialism). The mere presence of the Holy Spirit in the midst of the church (John 16:5–10) is insufficient to enable Christians to replace covenant-breakers as the creators and arbiters of civilization. When these people think "civilization," they think "humanism." They are theologically incapable of regarding Christian civilization as either a possibility or a desirable cultural option. Their eschatology shapes their thinking in every area of theology and most areas of life.

Their outlook is best expressed by the senior theologian of the Protestant Reformed Church, a Dutch-American denomination that split from the Dutch-American Christian Reformed Church in 1923 over the question of common grace, which the PRC denies.[20] In an attempt to refute the obvious and inescapable literalism of Isaiah 65:17–21, he cries out against the very idea of Christian culture. Why? Because sin has ruined everything, and will throughout history.

> There will be sin in the postmillennial kingdom. Every day we will know our misery of guilt and shame, the worst misery of all. Every day anew we will have to battle indwelling sin, which wrenches from us the

19. Gary North, *Millennialism and Social Theory* (Tyler, Texas: Institute for Christian Ec onomics, 1990), ch. 4.

20. Gary North, *Dominion and Common Grace: The Biblical Basis of Progress* (Tyler, Texas: Institute for Christian Economics, 1987), Introduction.

> groan, "O, wretched man that I am." What difference does it make that Gary North sits on the throne of the world and that Kenneth Gentry, Jr., is in charge of radio, television, movies, and the internet worldwide? . . .
>
> There will be no vision of God in the face of Jesus Christ in this kingdom of postmillennialism. Still only in a glass darkly.
>
> For these reasons alone, we Reformed amillennialists would not be enthusiastic over Christian Reconstructionism's kingdom. Indeed, we would be groaning, as we do today, waiting for the redemption of our body (Rom. 8:23). We would be crying night and day for divine vengeance on Christ's and our enemies (Luke 18:1–8). We would be praying fervently, "Lord, put an end to this postmillennial business as soon as possible, and come quickly."[21]

This is forthright, self-conscious, proud *cultural despair*. It is a despair born of a worldview that proclaims that anything short of perfection in heaven is so utterly tainted with sin that Christianity can make no difference culturally. But neutrality is never an option for a pessimillennialist. He really prefers the culture of humanism, Islam, or anything other than Christianity. Paraphrasing Orwell's pig, "All cultures are evil, but some (Satan's) are more equal than others." When men adopt a *dead-end eschatology*, they are driven by the logic of their position to accept a *dead-end culture*, which they then proclaim as the best that Christians can hope for: *anti-Christianity*. The Holy Spirit becomes the defender of the hard-pressed faithful rather than the implementer of a strategy of kingdom conquest: the cultural replacement of evil with good. Pessimillennialism strips them of all earthly hope. They abandon the church's God-given inheritance. This is not for them: "Therefore say I unto you, The kingdom of God shall be taken from you, and given to a nation bringing forth the fruits thereof" (Matt. 21:43). Neither is this: "For unto whomsoever much is given, of him shall be much required: and to whom men have committed much, of him they will ask the more" (Luke 12:47b).[22] Seeking to avoid responsibility, they not only hand back the inheritance to God, they announce to their followers that it is in fact Satan's gift to his disciples—tainted beyond redemption. Defeat is their rallying cry. "Let's go out and lose this culture for Christ!"

D. Eschatology

Deuteronomy's covenantal worldview is rejected by humanists and most Christians. *Covenant theology is impossible without eschatology*. Be-

21. David J. Engelsma, "A Defense of (Reformed) Amillennialism."

22. Gary North, *Treasure and Dominion: An Economic Commentary on Luke*, 2nd ed. (Dallas, Georgia: Point Five Press, [2000] 2012), ch. 28.

cause humanists and Christians reject Deuteronomy's eschatology, they also reject the Pentateuch's doctrine of covenantal inheritance: "Thou shalt not wrest judgment; thou shalt not respect persons, neither take a gift: for a gift doth blind the eyes of the wise, and pervert the words of the righteous. That which is altogether just shalt thou follow, that thou mayest live, and inherit the land which the LORD thy God giveth thee" (Deut. 16:19–20).[23] They offer other eschatologies and therefore other covenants.

Humanists reject biblical covenantalism because they reject the doctrine of final judgment. There will be no final judgment by God, they insist. There will be either the heat death of the universe[24] or a cyclical recapitulation of the Big Bang of creation: contraction, bang, expansion, ad infinitum.[25] Both of these cosmic possibilities are impersonal. The humanists' hypothetical universe is a universe devoid of cosmic personalism, for their universe was not created by God.

The humanists' rejection of final judgment has implications for economic theory. There are two rival views: pro-growth and anti-growth. First, the typical economist insists that the limits to growth are always marginal. At the margin, there are no fixed limits to growth. There are only marginal limits to resources. Any ultimate objective limit to growth may be ignored for now—in fact, *must* be ignored, now and forevermore. *At some price*, there is always room for one more, no matter what it is we are talking about: such is the confession of the economist. The marginalism of modern subjective economic theory lends itself to a concept of growth that has no objective limits. Growth cannot go on forever, the economist may admit if pressured for an answer, but it can surely go on for another year. Maybe two. The mainstream economist trains himself not to think about ultimate objective limits; he thinks only about marginal limits. Eschatology—the doctrine of the last things—is anathema to him. There are no last things, only marginal decisions.

Second, the anti-growth humanist asserts that mankind has become a destroyer, that nature's limits must be honored by rapacious man, and therefore the state must impose restrictions on the use of private property because of capitalism's insatiable quest for more. This outlook insists that there are objective limits to growth in na-

23. Chapter 40.

24. Gary North, *Is the World Running Down? Crisis in the Christian Worldview* (Tyler, Texas: Institute for Christian Economics, 1988), ch. 2.

25. The Big Bang that follows each cosmic contraction somehow will overcome the second law of thermodynamics: entropy. The heat death of the universe will be avoided.

ture, and therefore the state must restrict private individuals from pressing against these limits. Anti-growth legislation is necessary in order to avoid an inevitable collective catastrophe—there are numerous humanistic doomsday scenarios—that must occur when mankind reaches the environmental limits to growth. This eschatology is an eschatology of historical disaster. Anti-growth humanists are not concerned with the cosmic end of the world, i.e., the heat death of the universe. They do not predict the end of the world. Rather, they predict either the end of autonomous man's attempts to subdue nature or else the end of autonomous nature. They prefer the former.[26]

Contemporary pessimillennial Christians, in contrast to humanists, are more deeply concerned about eschatology than history. They assume that eschatology is discontinuous with culture, i.e., a breaking into time that will overthrow man's works rather than heal and extend them. In effect, they deny to the creation what Christ's resurrected body was for history: continuous with history (recognizable), yet transcendent beyond history, as the ascension subsequently revealed to the disciples. They do not see the end of time as the death and resurrection of cursed history. They oppose biblical covenantalism because it places the end of history within the context of Christendom's extension of the limits to growth. They reject any suggestion that mankind will reach objective limits to growth as a result of the spread of the gospel, the conversion of billions of people, the division of labor, and men's widespread obedience to biblical law, for this scenario suggests a postmillennial eschatology that modern pessimillennialism rejects. This is why pessimillennial Christians have no explicitly biblical economic theory. Without the Bible's doctrine of the covenant, they cannot reason both biblically and economically.

Once a person accepts the continuing validity and authority of the covenantal message of Deuteronomy, it is only by arguing that the triumph of covenant-breaking society is inevitable in history that he can escape the postmillennial implications of Deuteronomy. Theologians do this, of course, but in doing so, they must appeal to the failure of Old Covenant Israel as a binding model for all history. This leads them to dismiss or at least ignore the doctrine of *Christ's bodily ascension in history*, an event that confirmed the Great Commission (Matt. 28:18–20). Only by denying the possibility of progressively fulfilling the Great Commission in history can anyone who accepts the covenantal authority of Deuteronomy legitimately deny postmillennial-

26. Bill McKibben, *The End of Nature* (New York: Random House, 1989).

ism.[27] Such a denial inescapably rests on this presupposition, which is never publicly admitted by those who deeply believe it: *Christ's bodily ascension plays no significant role in empowering the church to fulfill the Great Commission through the post-ascension advent of the Holy Spirit*. Such a view of history also denies any significance for the doctrine of the ascension in the development of either eschatology or Christian social theory. In the final analysis, pessimillennialism substitutes the experience of Old Covenant Israel for the doctrine of empowerment by the Holy Spirit.

If the biblical doctrine of the covenant includes corporate compound economic growth as a confirmation of the covenant (Deut. 8:17),[28] then biblical covenantalism has eschatological implications. Here is the big one: *the meek shall inherit the earth*. Covenant-keepers who are meek before God, as evidenced by their confession of faith and their way of life—obedience to God's Bible-revealed law—are empowered by the Holy Spirit in history to extend the kingdom of God in history. That is, they are empowered in history by the Holy Spirit to fulfill progressively, though never perfectly, the terms of the dominion covenant.

E. The Structure of Theonomy[29]

Theonomy is covenantal. The covenant is marked by five points: God's transcendence/presence; man's representative, hierarchical authority over creation and under God; God's Bible-revealed law; God's historical sanctions, positive and negative; and covenant-keepers' inheritance or succession, in time and eternity. In chapter 19, I wrote that theonomy is not simply a matter of God's law; rather, it is a matter of the covenant: God's absolute sovereignty, man's subordinate authority, Bible-revealed law's continuity, historical sanctions' predictability, and postmillennialism. Put as a slogan, *theonomy is a package deal*.

On this point, I break with Greg Bahnsen, who argued in *By This Standard*: "What these studies present is a position in Christian (normative) *ethics*. They do *not* logically commit those who agree with them to any particular school of *eschatological* interpretation."[30] Log-

27. Kenneth L. Gentry, Jr., *The Greatness of the Great Commission: The Christian Enterprise in a Fallen World* (Tyler, Texas: Institute for Christian Economics, 1990).

28. Chapter 21.

29. Written prior to the death of Greg Bahnsen, but not published.

30. Greg L. Bahnsen, *By This Standard: The Authority of God's Law Today* (Tyler, Tex as: Institute for Christian Economics, 1985), p. 8.

ically, perhaps not; I defer here to Bahnsen's abilities as a logician. Theologically, God's biblically revealed law cannot be separated covenantally from sanctions and eschatology.

I can appreciate Dr. Bahnsen's dilemma. First, he believed that the Westminster Confession of Faith teaches theonomy.[31] Second, the ordination standards of the Orthodox Presbyterian Church, which ordained him, are explicitly committed to what is known as "eschatological liberty," or better put, "eschatological opinions as Confessional *adiaphora*," i.e., things indifferent to the Confession's statement of faith. Presbyterianism formally asserts the proposition that an ordained officer can lawfully affirm, or refuse to affirm, any one of at least three totally incompatible theories of eschatology, at least two of which have to be biblically incorrect and therefore heretical. In order to escape the burden of endless heresy trials and shattered churches, Reformed churches relegate eschatology to the realm of *adiaphora*.[32]

Bahnsen did not want to fight a three-front war: law vs. antinomianism; postmillennialism vs. amillennialism; postmillennialism vs. premillennialism. He formally separated his discussion of theonomy, which he believed is both the biblically mandated position and also consistent with the Westminster Confession and its two catechisms, from postmillennialism, which he believed is the biblically mandated position and therefore inconsistent, if postmillennialism really is biblically mandated, with the formal Presbyterian ideal of eschatology as a moot point theologically. The five-point covenant model, if true, pulls eschatology into ethics and vice versa by way of historical sanctions. This may be another reason for Bahnsen's lack of enthusiasm for Ray Sutton's and Meredith Kline's five-point covenant model, especially Sutton's, who did not relegate the covenant and its five points to the legal status of the Mosaic "intrusion," to use Kline's terminology.[33] I, on the other hand, am committed not only to the five-point structure of the covenant, but also to the five-point structure of the Pentateuch, as well as Exodus, Leviticus, Deuteronomy, and the Book of Revelation.[34]

31. Greg L. Bahnsen, "M. G. Kline on Theonomic Politics: An Evaluation of His Reply," *Journal of Christian Reconstruction*, VI (Winter, 1979–80), pp. 200–202.

32. In this sense, Lutherans are correct when they insist that they are not Reformed. They are creedally committed to amillennialism.

33. Ray R. Sutton, *That You May Prosper: Dominion By Covenant*, 2nd ed. (Tyler, Texas: Institute for Christian Economics, [1987] 1992), Appendix 7: "Meredith G. Kline: Yes and No."

34. David Chilton, *The Days of Vengeance: An Exposition of the Book of Revelation* (Ft. Worth, Texas: Dominion Press, 1987).

Conclusion

I have come to the conclusion of the Conclusion to the book that concludes the Pentateuch.

The Pentateuch is structured in terms of the Bible's five-point covenant. So is Deuteronomy. Deuteronomy is a future-oriented book. It deals with inheritance. It looks forward to the events chronicled in Joshua. It lays down the law a second time. The law was Israel's tool of dominion. Now that the nation was about to inherit the long-promised land of Canaan, the law was vital. *By obeying the Mosaic law, Israel could maintain the kingdom grant until the era of the gentiles arrived*. If Israel rebelled, God would remove the grant and transfer it to another nation. Jesus prophesied: "Therefore say I unto you, The kingdom of God shall be taken from you, and given to a nation bringing forth the fruits thereof" (Matt. 21:43). This finally took place in A.D. 70.

Deuteronomy, in Kline's words, is the treaty of the Great King.[35] The question is: Was this treaty abrogated forever by Jesus, or were its stipulations merely modified? The answer to this question divides theonomists from their critics, whose name is legion.[36] Theonomists insist that this treaty is still in force. God still brings a covenant lawsuit against His enemies in terms of this covenant's laws. Theonomy's critics deny this. But the critics have a problem with Deuteronomy 5: the recapitulation of the Ten Commandments. The section ends with this warning: "Ye shall observe to do therefore as the LORD your God hath commanded you: ye shall not turn aside to the right hand or to the left. Ye shall walk in all the ways which the LORD your God hath commanded you, that ye may live, and that it may be well with you, and that ye may prolong your days in the land which ye shall possess" (Deut. 5:32–33).[37] If this promise of blessing ended with Jesus' ministry, why did Paul cite the fifth commandment and reaffirm its

35. Meredith G. Kline, *Treaty of the Great King: The Covenant Structure of Deuteronomy: Studies and Commentary* (Grand Rapids, Michigan: Eerdmans, 1963).

36. In May, 1997, a committee of the tiny Free Kirk of Scotland declared theonomy heretical. In doing so, the committee broke with the Westminster Confession. See Martin A. Foulner (ed.), *Theonomy and the Westminster Confession: an annotated sourcebook* (Edinburgh: Marpet Press, 1997). What remains of this once-great ecclesiastical body is an operational alliance between theological liberals, who hate the law of God, and pietists who fear institutional squabbling and who are unfamiliar with historical scholarship, especially the history of seventeenth-century Scottish theology. We have seen all this before, in the American Presbyterian Church. Gary North, *Crossed Fingers: How the Liberals Captured the Presbyterian* Church (Tyler, Texas: Institute for Christian Economics, 1996).

37. Chapter 13.

life-extending promise? "Children, obey your parents in the Lord: for this is right. Honour thy father and mother; (which is the first commandment with promise;) That it may be well with thee, and thou mayest live long on the earth" (Eph. 6:1–3). He extended the scope of the positive sanction's applicability from the geographical confines of Canaan to the whole earth. This is not what I would call judicial annulment.

When covenant-breakers abandon the treaty of the Great King, we should not be surprised. The very concept of the Great King of the covenant offends them. But we also find that covenant-keepers insist, generation after generation, that they agree with covenant-breakers about the non-binding character of Deuteronomy's laws and sanctions. They are allied with covenant-breakers against those who argue that the treaty is still in force, and that God's corporate judgments in history are imposed in terms of its stipulations. Covenant-keepers and covenant-breakers seek a different treaty, with different laws and different sanctions. While they rarely agree on what this treaty might be, the terms of discourse are today set by covenant-breakers. Both groups insist that the presuppositions regarding what constitutes justice and how we can both ascertain it and impose its laws must be a neutral, common-ground endeavor. Lo and behold, the conclusions reached by the two groups are presented to the public in terms of autonomous man and his moral and intellectual standards.

There is no neutrality. Protestant American Christians today are willing to say this in public far more often than they were when I began writing my economic commentary on Genesis in April of 1973. This confessional reversal constitutes the beginning of a revolution in religious thought. When Christians at long last decide to follow this statement regarding neutrality to its logical conclusion—the denial of political pluralism[38]—they will have begun a major journey toward theonomy. To speed up this process of self-awareness, I ask, one more time: If not God's law, then whose? If not God's law, then what? I suggest three choices. God's law or chaos. God's law or tyranny. God's law or chaos followed by tyranny.

"And Elijah came unto all the people, and said, How long halt ye between two opinions? if the LORD be God, follow him: but if Baal, then follow him. And the people answered him not a word" (I Kings 18:21). Then came the negative sanction: "Then the fire of the LORD

38. Gary North, *Political Polytheism: The Myth of Pluralism* (Tyler, Texas: Institute for Christian Economics, 1989).

fell, and consumed the burnt sacrifice, and the wood, and the stones, and the dust, and licked up the water that was in the trench. And when all the people saw it, they fell on their faces: and they said, The LORD, he is the God; the LORD, he is the God" (vv. 38–39). God's people learn slowly, but they do eventually learn. The trouble is, this learning process generally requires them to suffer extensive negative sanctions.